UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
17th meeting
held on
Monday, 15 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 17th MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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A/C.5/48/SR.17
17 January 1994
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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 17: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER APPOINTMENTS

1. The CHAIRMAN read out rule 92 of the rules of procedure of the General Assembly concerning elections and paragraph 16 of decision 34/401 concerning the election of members of subsidiary organs.

(a) APPOINTMENT OF MEMBERS OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (A/48/101; A/C.5/48/20)

2. The CHAIRMAN drew the Committee's attention to rules 155 and 156 of the rules of procedure of the General Assembly and said that the Assembly needed to appoint five persons to fill the vacancies which would arise in the Advisory Committee on Administrative and Budgetary Questions on 31 December 1993. According to the Secretary-General's note (A/C.5/48/20), seven persons had been nominated by their Governments. If there was no objection he would take it that, in the case of the two regional groups for which the number of candidates corresponded to the number of vacancies, the Committee wished to take decisions by acclamation, it being understood that votes would be taken by secret ballot in the case of the other two regional groups.

3. It was so decided.

4. The CHAIRMAN said that if there was no objection he would take it that the Committee wished to recommend the appointment of Mr. Leonid Bidny (Russian Federation) for the group of Eastern European States as a member of the Advisory Committee for a three-year term beginning on 1 January 1994.

5. It was so decided.

6. The CHAIRMAN read out the relevant provisions of rule 94 of the rules of procedure and said that there were two candidates for one vacancy in the case of the group of Latin American and Caribbean States and three candidates for two vacancies in the case of the group of Western European and other States. He therefore invited the Committee to take separate votes by secret ballot.

Group of Latin American and Caribbean States

7. At the invitation of the Chairman, Ms. Gounaris (Belgium), Mr. Elzimaity (Egypt) and Mr. Sastrawan (Indonesia) acted as tellers.

8. A vote was taken by secret ballot.

Number of ballot papers:	172
Number of invalid ballots:	13
Number of valid ballots:	159
Abstentions:	0

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Number of members voting:	159
Required majority:	80
Number of votes obtained:	
Mr. Fontaine-Ortiz	91
Mr. Clavijo	68

9. Mr. Fontaine-Ortiz (Cuba) having obtained the required majority, the Committee decided to recommend that he should be appointed as a member of the Advisory Committee on Administrative and Budgetary Questions for a three-year term beginning on 1 January 1994.

Group of Western European and other States

10. At the invitation of the Chairman, Mr. Teirlinck (Belgium), Ms. Serenade (Egypt) and Mr. Prasodjo (Indonesia) acted as tellers.

11. A vote was taken by secret ballot.

Number of ballot papers:	176
Number of invalid ballots:	1
Number of valid ballots:	175
Abstentions:	1
Number of members voting:	174
Required majority:	88
Number of votes obtained:	
Mrs. Eriksson Fogh	132
Mrs. Shenwick	102
Mr. Stitt	91

12. Mrs. Eriksson Fogh (Sweden) and Mrs. Shenwick (United States of America) having obtained the required majority, the Committee decided to recommend that they should be appointed as members of the Advisory Committee on Administrative and Budgetary Questions for a three-year term beginning on 1 January 1994.

(b) APPOINTMENT OF MEMBERS OF THE COMMITTEE ON CONTRIBUTIONS (A/48/102 and Add.1; A/C.5/48/21)

13. The CHAIRMAN said that the note by the Secretary-General (A/48/102) indicated that, in accordance with rules 158 and 159 of the rules of procedure, the General Assembly needed to appoint seven persons to fill the vacancies which would arise in the Committee on Contributions on 31 December 1993. According to another note by the Secretary-General (A/C.5/48/21), eight persons had been nominated by their Governments for appointment or re-appointment. If there was no objection he would take it that, in the case of the three regional groups for which the number of candidates corresponded to the number of vacancies, the Committee wished to take decisions by acclamation, it being understood that a vote would be taken by secret ballot in the case of the group of Eastern European States.

14. It was so decided.

15. The CHAIRMAN said that if there was no objection he would take it that the Committee wished to recommend the appointment of Mr. Alvaro Gurgel de Alencar (Brazil) for the group of Latin American and Caribbean States, Mr. Li Yong (China) and Mr. Agha Shahi (Pakistan) for the group of Asian States, and Mr. Ugo Sessi (Italy) and Mr. Adrien Teirlinck (Belgium) for the group of Western European and other States as members of the Committee on Contributions for a three-year term beginning on 1 January 1994.

16. It was so decided.

17. The CHAIRMAN said that for the group of Eastern European States there were two candidates for one vacancy and he invited the Committee to take a vote by secret ballot.

18. At the invitation of the Chairman, Ms. Gounaris (Belgium), Mr. Elzimaity (Egypt) and Mr. Sastrawan (Indonesia) acted as tellers.

19. A vote was taken by secret ballot.

Number of ballot papers:	175
Number of invalid ballots:	2
Number of valid ballots:	173
Abstentions:	3
Number of members voting:	170
Required majority:	86

Number of votes obtained:

Mr. Chulkov	86
Mr. Revenko	84

20. Mr. Chulkov (Russian Federation) having obtained the required majority, the Committee decided to recommend that he should be appointed as a member of the Committee on Contributions for a three-year term beginning on 1 January 1994.

21. The CHAIRMAN, referring to document A/48/102/Add.1, said that the Australian Government had nominated Mr. Neil Hewitt Francis to fill the vacancy in the Committee on Contributions caused by the resignation of Mr. Peter Gregg (Australia) for the unexpired portion of Mr. Gregg's term, i.e. until 31 December 1995. If there was no objection he would take it that the Committee wished to recommend the appointment of Mr. Neil Hewitt Francis as a member of the Committee on Contributions for a term beginning on the date on which the General Assembly approved his appointment and ending on 31 December 1995.

22. It was so decided.

(c) APPOINTMENT OF A MEMBER OF THE BOARD OF AUDITORS (A/48/103; A/C.5/48/22)

23. The CHAIRMAN said that in his notes A/48/103 and A/C.5/48/22 the Secretary-General informed the General Assembly of the need to appoint the Auditor-General (or officer holding the equivalent title) of a Member State to fill the vacancy which would arise in the Board of Auditors on 1 July 1994 and that the Government of Ghana had nominated the Auditor-General of Ghana for reappointment for a second term. There being only one candidate, if there was no objection he would take it that the Committee did not wish to take a vote by secret ballot.

24. It was so decided.

25. The CHAIRMAN said that if there was no objection he would take it that the Committee wished to recommend the appointment of the Auditor-General of Ghana to the Board of Auditors for a three-year term beginning on 1 July 1994.

26. It was so decided.

(d) CONFIRMATION OF THE APPOINTMENT OF MEMBERS OF THE INVESTMENTS COMMITTEE (A/48/104; A/C.5/48/23)

27. The CHAIRMAN said that according to the notes by the Secretary-General the General Assembly needed to confirm the appointment of three persons nominated by the Secretary-General to fill the vacancies which would arise in the Investments Committee on 31 December 1993. If there was no objection he would take it that the Committee wished to recommend confirmation of the reappointment of Ms. Francine Bovich (United States of America), Mr. Jean Guyot (France) and Mr. Michiya Matsukawa (Japan) as members of the Investments Committee for a three-year term beginning on 1 January 1994.

28. It was so decided.

(e) APPOINTMENT OF MEMBERS OF THE UNITED NATIONS ADMINISTRATIVE TRIBUNAL (A/48/105; A/C.5/48/24)

29. The CHAIRMAN said that, in accordance with article 3, paragraphs 1 and 2, of the statute of the United Nations Administrative Tribunal, the General Assembly needed to appoint two persons to fill the vacancies which would arise in the Tribunal on 31 December 1993. In his note A/C.5/48/24 the Secretary-General mentioned the five persons nominated by their Governments. However, their number had since been reduced to four as Romania had withdrawn the nomination of Mr. Voicu. He read out the relevant provisions of rule 94 of the rules of procedure and invited the Committee to choose two of the four candidates by secret ballot.

30. At the invitation of the Chairman, Ms. Gounaris (Belgium), Mrs. Abdel-Karim (Egypt) and Mr. Sastrawan (Indonesia) acted as tellers.

31. A vote was taken by secret ballot.

Number of ballot papers:	171
Number of invalid ballots:	0
Number of valid ballots:	171
Abstentions:	2
Number of members voting:	169
Required majority:	85
Number of votes obtained:	
Mr. Gabay	99
Mr. L. de Posadas Montero	82
Mr. Prandler	79
Mr. Lavalle Valdés	74

32. Mr. Gabay (Israel) having obtained the required majority, the Committee decided to recommend that he should be appointed as a member of the Administrative Tribunal for a three-year term beginning on 1 January 1994.

33. The CHAIRMAN said that since one vacancy remained to be filled, in accordance with rule 94 of the rules of the procedure the Committee must take a second vote by secret ballot restricted to the two candidates who had obtained the largest numbers of votes out of the three candidates who had not obtained the required majority, i.e. Mr. L. de Posadas Montero and Mr. Prandler.

34. At the invitation of the Chairman, Ms. Gounaris (Belgium), Mrs. Abdel-Karim (Egypt) and Mr. Sastrawan (Indonesia) acted as tellers.

35. A vote was taken by secret ballot.

Number of ballot papers:	158
Number of invalid ballots:	2
Number of valid ballots:	156
Abstentions:	2
Number of members voting:	154
Required majority:	78
Number of votes obtained:	
Mr. L. de Posadas Montero	102
Mr. Prandler	52

36. Mr. L. de Posadas Montero (Uruguay) having obtained the required majority, the Committee decided to recommend that he should be appointed as a member of the Administrative Tribunal for a three-year term beginning on 1 January 1994.

The meeting rose at 1.45 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
18th meeting
held on
Tuesday, 16 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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18 January 1994
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ORIGINAL: FRENCH

The meeting was called to order at 10.35 a.m.

AGENDA ITEM 128: UNITED NATIONS COMMON SYSTEM (continued) (A/48/30 and Corr.1; A/C.5/48/4, A/C.5/48/17 and A/C.5/48/18)

AGENDA ITEM 129: UNITED NATIONS PENSION SYSTEM (continued) (A/48/9 and A/48/517; A/C.5/48/18)

1. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission), replying to questions put by Member States during the debate, said that several delegations had rightly noted that the mandate of the International Civil Service Commission (ICSC) was not limited to remuneration-related issues, and the Commission was in fact increasingly devoting more attention in its work to the general problem of personnel management. Other delegations had expressed the view that the General Assembly should not have had to take up the question of a language incentive scheme for staff in the Professional and higher categories in a "non-personnel" year; the Commission had nevertheless thought that its recommendation that the arrangements adopted by the Assembly for the United Nations might be quickly taken up by other organizations ought to be considered without delay.

2. Some delegations had commented on the link between the base/floor salary scale and the mobility and hardship matrix. The question would be dealt with in detail when the Commission reported to the Assembly at its fifty-first session on the adjustment procedure linking the matrix to the scale; in the meantime it would also have examined the system of mobility and hardship allowances in the light of the experience gained from its application.

3. A question had been asked about the recommendation to the International Labour Organization (ILO) that it should bring its practice with respect to extra steps beyond the salary scale into line with the common system. The ILO Governing Body was to decide during the current week to eliminate the extra steps for staff recruited from 1 January 1994, and the Director-General had been requested to propose modalities for the elimination of the practice from 1 January 1995 for serving staff members.

4. With regard to the implementation of the survey of conditions of service for the General Service in Paris, the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) had authorized its Director-General to apply to staff in the General Service and related categories from 1 January 1994 the salary scale and dependency allowances recommended by ICSC.

5. A question had been asked about the implications for the common system of the judgement of the ILO Administrative Tribunal concerning the General Service salary survey in Geneva and about the degree to which the Commission had been involved in defending its methodology. The ICSC secretariat had passed information about the survey to the World Intellectual Property Organization (WIPO) but the Commission itself had not been directly involved in explaining its procedure for using the results of the survey.

(Mr. Bel Hadj Amor)

6. The most difficult issue for ICSC had been the pensionable remuneration of General Service staff. After studying it for several years the Commission and the Joint Staff Pension Board had agreed on the methodology and its phased implementation. Their recommendations seemed to have general support among delegations, and in the general interest the Committee should now act swiftly.

7. In her statement on 8 November the President of the Federation of International Civil Servants' Associations (FICSA) had said that the questions for which ICSC was responsible ought to be dealt with by an independent and impartial body - implying that that was not the case at present. That old saw had been definitively put to rest during the recent review of the functioning of the Commission, when its independence had been acknowledged. The other points raised by FICSA had been discussed by the Commission with all the parties concerned. The Commission attached very great importance to dialogue, and that was why it had set up working groups to examine important issues in depth and try to find common ground. Of course, that approach could succeed only on the basis of mutual respect and it excluded any attitude which perceived dialogue as an exchange of ultimatums. FICSA was still participating in some of the working groups, and it would be desirable for it to resume full participation in the work of ICSC.

8. He was grateful to the members of the Committee for their support for the principles of the common system and their endorsement of the ICSC recommendations. The questions raised and suggestions made in the Committee would be transmitted to the Commission, which would continue to strive to strengthen the common system by striking the fairest balance between the concerns of Member States, the organizations and the staff.

9. Mr. INOMATA (Vice-Chairman of the United Nations Joint Staff Pension Board) said that he was glad that the consensus recommendations of the Commission and the Pension Board on the pensionable remuneration of General Service staff had received general support. Although the use of 66.25 per cent of pensionable remuneration as the grossing-up factor had been more difficult for some delegations to accept than the income-replacement approach or the introduction of a common scale of staff assessment in 1997, that was not a reason for reopening what had been long and difficult negotiations. It would also be most desirable for the Committee to endorse in its totality the agreement reached by the Commission and the Board.

10. Some delegations had requested that future actuarial valuations of the Pension Fund should be disclosed in dollar terms. As requested by the General Assembly in resolution 47/203, the Board would consider the matter in 1994, taking into account the views of the Committee of Actuaries and the Board of Auditors. The comments about the Pension Fund's investments and its investment performance had been duly noted, but the question would be addressed at greater length in 1994.

11. Ms. GOICOCHEA (Cuba) said that the Cuban delegation welcomed in principle all the recommendations contained in the reports of ICSC and the Pension Board. Its reservations about the proposals set out in paragraph 85 of the ICSC report would no doubt be dispelled in the informal consultations, in which it hoped to participate.

12. The CHAIRMAN, speaking on behalf of the Committee and its officers, said that the dialogue with the staff associations was extremely important, provided that it took place in a calm atmosphere. The attendance record and competence of members of the Committee could not be questioned. Furthermore, the remarks by a staff representative about the validity of an election conducted by the Committee at its forty-seventh session were unseemly and unacceptable. If there were no further comments he would take it that the Committee had completed its general debate on items 128 and 129.

13. It was so decided.

AGENDA ITEM 121: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/48/16 (Part I) and (Part II), A/48/277, A/48/281, A/48/428 and A/48/452)

14. Mrs. ALBRIGHT (United States of America) said that 40 years of super-Power rivalry, during which political priorities had taken precedence over management goals, had left the United Nations with a large bureaucracy. That was a luxury it could no longer afford since its responsibilities were growing and the potential for cooperative international action was greater than ever before, provided it was able to manage its programmes and operations efficiently. If Member States cared about the United Nations - and the United States did - then they should try to fix the problems, not ignore them. They should remember, too, that it was taxpayers' money that paid the bills, and that the taxpayers had a right to know their money was being spent wisely. Although the media sometimes exaggerated, there were many cases of inexcusable mismanagement. They not only weakened the United Nations, but were also an insult to the thousands of dedicated people who worked within the United Nations system, including many who risked and some who had lost their lives.

15. Her Government was convinced that the United Nations system had potential, but that that potential would never be achieved without administrative and budgetary reform addressing issues of transparency, accountability, oversight, enforcement of regulations and decisions and the management of personnel. It was necessary to take advantage of the fact that the above view was shared by many delegations and by the Secretary-General to bring about fundamental reform, otherwise the United Nations, like many public or private institutions, would be unable to meet the challenges of the twenty-first century. That was what the United States proposed to do, in part by stressing the establishment of an independent function of inspector general.

16. It was true, as many delegations had pointed out, that good management and adequate resources went hand in hand. The United States recognized that its past withholding of its contributions had impaired the Organization's effectiveness, and it planned to pay more than $1 billion in regular budget and

(Mrs. Albright, United States)

peace-keeping assessments by the end of 1993. However, it would not unblinkingly accept ever-increasing assessments at a time when it was working to decrease government spending; on the contrary, United Nations-related expenditures would be subject to the same rigorous review as other expenditures.

17. Improved accountability and oversight were the key to Member confidence and financial stability. Those were long-standing issues that could no longer be sidestepped. United Nations operations had become too important, and waste might now be measured not only in financial resources but also in human lives. Yet while the Joint Inspection Unit and the Board of Auditors had clearly identified the problems, and the General Assembly and its subsidiary bodies had repeatedly called upon the Secretariat to take corrective action, the response had been disappointing.

18. Although there was broad agreement on the need for reform in that area, opinions differed on how that was to be achieved. Whereas some argued that the current system was sound but required more resources, the United States believed, as did the Joint Inspection Unit, that the primary problem was one of using existing resources wisely. To do so, it was necessary to improve oversight of United Nations activities and finances by creating a mechanism that was independent from the Secretariat but still capable of cooperating fully with it. That was why the appointment and reporting procedures for the inspector general reflected a careful balance between the necessary independence of the inspector general, the prerogatives of the General Assembly and the accountability of the Secretary-General for United Nations operations and for implementing the inspector general's recommendations.

19. Thus the new oversight mechanism should be characterized by independence. Next, it should provide for regular follow up to ensure that corrective measures were effectively implemented and deficiencies corrected for in the past recommendations had been ignored. Lastly, the new system should combine many of the existing oversight and evaluation mechanisms under a single authority with separate reporting responsibilities to the Secretary-General and the General Assembly.

20. A great many countries had independent systems which examined government programmes and finances and reported to both the executive and legislative branches; in many countries that mechanism was known as an inspector general. The United States was convinced that the United Nations needed a similar system, and it applauded the Secretary-General's decision to establish an Office for Inspections and Investigations consolidating existing internal oversight mechanisms. It was pleased to note that that was only the first step in a much broader project, and looked forward to seeing it fully implemented. Initially, the future inspector general might be responsible for examining all United Nations regular budget, peace-keeping and extrabudgetary programmes and, later, all United Nations agencies and programmes. As President Clinton had said in his statement to the General Assembly, there was an urgent need to establish a strong mandate for an office of inspector general.

(Mrs. Albright, United States)

21. In that spirit, after consultations with a large number of Member States, her delegation had developed a proposal that could serve as a basis for defining the higher level independent authority contemplated by the Secretary-General. It requested the Chairman of the Committee to convene informal consultations to discuss the proposal so that a resolution could be drafted on that important question, if possible before the end of the regular session.

22. The purpose was not to impede the progress of United Nations programmes or the careers of its employees but to ensure the best possible use of its resources by consulting more with its staff, using their ideas and helping the Secretary-General to find new ways of solving the Organization's problems.

23. With respect to wrongdoing, her delegation thought that energetic measures were needed both to protect "whistle-blowers" and to ensure respect for the rights of those under investigation. Also, cases of proven wrongdoing should be settled quickly; that was not possible with the current cumbersome and ineffective appeal procedures.

24. Of course, establishing an office of inspector general would not in itself solve all of the problems. Her delegation had circulated a summary of a number of other proposals that might be included in a more general reform. She hoped that the Committee would examine them and compare them with those of other delegations so that a comprehensive and meaningful package of reforms could be adopted before the end of the forty-eighth session.

25. Mr. MARKER (Pakistan) said that it had become important for the Organization to review its work methods and to shed some bureaucratic structures that had outlived their usefulness, especially in view of the budgetary limitations. Nevertheless, restructuring must not become a perpetual process; before any further changes were attempted, the measures that had already been undertaken should be completed and the new structures should be tried out.

26. Some fundamental principles should be adhered to in any restructuring process; it should be in accordance therefore, with specific intergovernmental mandates and in full conformity with the purposes of the Charter.

27. Unfortunately, some decisions had been taken without substantive intergovernmental dialogue on the general orientation of the restructuring and seemed to have left the Organization in a state of flux, creating dissatisfaction in certain sectors of the Secretariat. In that connection, his delegation had listened with the greatest interest to the statement of the United States representative, and it would give the closest consideration to the proposals in the working paper circulated by that delegation.

28. Some Member States had noted with concern the inadequate allocation of resources to the economic and social sectors of the United Nations in the budget proposals for the biennium 1994-1995. Priorities agreed on at the intergovernmental level should not be changed nor should certain areas be emphasized at the expense of others which were of priority concern to the majority of States Members.

(Mr. Marker, Pakistan)

29. Pakistan welcomed the creation of three new departments in the economic and social field. That was a step in the right direction, provided there was close coordination between them.

30. Turning to the question of the regional commissions, he said that their task was macroeconomic policy analysis and coordination. They should not function as mini-United Nations at the regional level, nor should they become the operational arm of the United Nations development system; that role had been allocated to the specialized agencies and, increasingly, to non-governmental organizations. The regional commissions should instead become "centres of excellence", specializing in the systematic analysis of regional macroeconomic trends and opportunities.

31. The decentralization of functions between Headquarters, regional centres and field offices should be carried out in the context of creating the necessary "capacity" at the three levels. It should also provide programme managers with the necessary authority to design programmes at the country level.

32. The United Nations had an important role to play in trade and international finance, and those issues should receive central attention; administrative structures and budgetary allocations should reflect those priorities.

33. Programme planning was an essential factor in reconciling the intergovernmental mandates entrusted to the various agencies, hence the importance of the medium-term plan. Any change in its format must be made with great care and through an intergovernmental process.

34. Pakistan endorsed the recommendations concerning the role of the United Nations in preventive diplomacy, peacemaking and peace-keeping contained in "An Agenda for Peace". The Charter indeed attached the highest priority to conflict resolution. However, the most serious threats to peace arose largely at the regional level. The arms race was also increasingly acquiring a regional dimension. The United Nations should therefore become seriously involved in regional security concerns.

35. Pakistan believed that human rights were indivisible and interrelated and that it was necessary to ensure universal realization of economic, social and cultural rights, particularly the right to self-determination and the right to development. In that respect, it attached great importance to the Centre for Human Rights and was following with interest the new mechanisms proposed in that field.

36. To ensure effective oversight, Member States should closely monitor the manner in which intergovernmental mandates were implemented. That could be facilitated by increasing the accountability of programme managers. In that regard, his delegation noted, from the report of the Secretary-General (A/48/452), that he intended to carry out a thorough review of the accountability and responsibilities of staff at all levels.

37. Mr. DEINEKO (Russian Federation) regretted that the report of the Secretary-General on the restructuring and efficiency of the Secretariat (A/48/428) was more descriptive than analytical, and that the information provided did not make it possible to analyse the programmatic impact of the restructuring of the Secretariat, although that had been one of the purposes of resolution 47/212 of the General Assembly.

38. In regard to the reform of the Secretariat, his delegation supported the proposal - just reiterated by the Permanent Representative of the United States of America - regarding the establishment of an office of inspector general. It hoped that Member States would be able to agree on the place of the future office within the current structure and its relationships with intergovernmental control bodies.

39. Regarding the prototype of a new format of the medium-term plan, his delegation noted the clarity and concision of the report submitted on the issue (A/48/277), which could be explained, at least in part, by the seminar held on that topic in April 1993. The seminar was an excellent illustration of the benefits of a working dialogue between the Secretary-General and Member States, which should become the norm. His delegation was disappointed to note, however, that a year must elapse before the question of a new format of the medium-term plan could be discussed.

40. Although it was true that, in its current form, the medium-term plan was a flagrant example of the squandering of resources, that did not mean that programme planning could be dispensed with. Furthermore, the plan was also an essential instrument of control over the implementation of the mandates issued by decision-making bodies.

41. His delegation supported the idea of the "Perspective" which, according to document A/48/277, would analyse the problems and trends that the international community should address over the next four to six years and would define the Organization's priorities. The "Perspective" could be used to prepare a second document which would simply list major programmes, programmes and subprogrammes and contain guidelines for evaluating the preparation and execution of programme budgets.

42. In regard to the issue of accountability and responsibility of programme managers in the United Nations, his delegation fully supported the conclusions and recommendations of the Committee for Programme and Coordination.

43. Mr. ZAHID (Morocco) agreed that, as stated by the Committee for Programme and Coordination, the report of the Secretary-General on the restructuring and efficiency of the Secretariat (A/48/428) was more descriptive than analytical and not in line with the General Assembly's request. He was glad, therefore, that that Committee had asked the Secretary-General to prepare a report for the forty-ninth session of the General Assembly showing the programmatic impact of the restructuring measures.

(Mr. Zahid, Morocco)

44. Morocco believed that the establishment by the Secretary-General of an Office of Inspections and Investigations and the proposal by the representative of the United States of America on the establishment of an office of inspector general should be given close consideration by the Fifth Committee, on the grounds that they were in keeping with the effort to enhance the effectiveness of the United Nations.

45. In his report on a possible new approach to programme planning (A/48/277) the Secretary-General recognized that the efficiency of the current system of programme planning was being called into question by both the Secretariat and Member States. He suggested replacing the Introduction to the medium-term plan by a policy-level "Perspective", and the plan itself by a programme of work. His delegation opposed the suggestion contained in paragraph 15 of the report that "Perspective" should inspire Member States to seek solutions to the problems and challenges ahead. The United Nations should not become involved in seeking solutions to problems and challenges, lest it find itself far removed from reality.

46. The idea of replacing the medium-term plan by a medium-term programme of work was very interesting but required more in-depth consideration. The same held true for the idea that the specialized agencies should play a central role in the adoption of the programme of work (para. 25), the proposal to take extrabudgetary activities into consideration (para. 26) and priority-setting.

47. Mr. MOHAMAD (Qatar) said that the members of the Joint Inspection Unit had made a very useful contribution to efforts to reform the Organization by rationalizing its work and enhancing the efficiency of its administrative and financial functioning. Like any man-made organization, the United Nations must design and introduce oversight mechanisms which would enable it to implement its programmes more effectively, cut costs, realize savings and maintain high staff morale. At the current juncture, such oversight and cost-cutting mechanisms should be not only consolidated but also adapted to the changes taking place in the world and within the Organization.

48. A close examination of the report of the Joint Inspection Unit showed positive developments: JIU had decided that, in future, its work programme would be based on such priority questions as administrative and budgetary issues, management issues, operational activities for development, and peace-keeping and humanitarian assistance, in accordance with the relevant resolutions adopted by the General Assembly at its forty-sixth and forty-seventh sessions.

49. Under the circumstances, his delegation believed that the Joint Inspection Unit should be strengthened by all possible means so that it could carry out the tasks assigned to it under articles 5 and 6 of its Statute. Its independence should enable it to make a substantial contribution to improving the efficiency of the administrative and financial functioning of the United Nations. In that connection, it was sufficient to note that, according to the calculations cited by the Chairman of JIU, the implementation of the Unit's recommendations had resulted in savings of $75 million during the period in question. His delegation, for its part, supported all the recommendations contained in the

(Mr. Mohamad, Qatar)

reports submitted by JIU at the forty-sixth, forty-seventh and forty-eighth sessions and, in particular, the recommendations on accountability and oversight, the rationalization of peace-keeping operations and the control and limitation of documentation.

50. Mr. OWADE (Kenya), commenting on the report of the Secretary-General on the restructuring and efficiency of the Secretariat (A/48/428), expressed concern about the fact that, increasingly, the United Nations was placing emphasis on the maintenance of international peace and security and human rights at the expense of socio-economic issues. And yet, if there was one lesson to be learned from history, it was that there could be no international peace and security or respect for human rights where poverty prevailed. Conversely, countries which had experienced a degree of socio-economic progress enjoyed greater political stability. The international community must therefore accord the same priority to development questions as to peace-keeping and humanitarian assistance, and that priority must be reflected in the budget of the United Nations.

51. Moving to a question of more specific concern to his delegation, he referred to the statement by the Secretary-General that the "core of his managerial strategy was to secure a more rational distribution of responsibilities between Headquarters and the United Nations centres at Geneva, Nairobi and Vienna as well as among global, regional and field structures". His delegation hoped to see the "more rational distribution" reflected in terms of both activities, including conferences, and funding. As the only city in the third world that was a United Nations centre, the headquarters of the United Nations Environment Programme (UNEP) and the United Nations Centre for Human Settlements (Habitat), Nairobi deserved to have both its resources and personnel strengthened.

52. His delegation noted with concern that, in his reorganization programme, the Secretary-General proposed placing UNEP and Habitat "under common direction". His delegation believed that the two organizations should retain their separate identities. The General Assembly had considered the matter at its forty-seventh session and had called upon the Secretary-General to appoint an Executive Director of Habitat. His delegation was pleased to note that the budget for the biennium 1994-1995 took that request into account, but was disappointed that it was taking so long to make the appointment.

53. His delegation supported the strengthening of the Centre for Human Rights. The Centre should receive adequate funding in order to be able to fulfil its mandate and, in particular, to ensure respect for the right to development, which the World Conference on Human Rights, held in 1993, had recognized as a human right.

AGENDA ITEM 125: JOINT INSPECTION UNIT (continued) (A/46/34; A/47/34, A/47/669 and A/47/755; A/48/34, A/48/83 and Add.1, A/48/129 and A/48/383; A/C.5/45/75; A/C.5/46/17)

54. Ms. ROTHEISER (Austria), noting that the Joint Inspection Unit was currently the only body ensuring overall external oversight on a system-wide basis, said that its substantive strengthening had become urgent. The consolidation of existing mechanisms would be preferable to creating new ones. Her delegation wished to commend the Unit on its recent initiatives, which should make it possible to adjust to changing needs and fulfil Member States' expectations. In that context, her delegation noted with satisfaction that the Unit intended to focus greater attention on management, budgetary and administrative issues and to concentrate its inspection, evaluation and investigation activities in four interrelated areas, namely, management, budgetary and administrative issues, operational activities for development, peace-keeping and humanitarian assistance.

55. The changes already introduced in accordance with recent General Assembly resolutions, such as the increase in the number of reports, the readiness to gear its work programme to the priorities of Member States and the desire expressed by certain Inspectors to re-establish inspection activities, were steps in the right direction. In order to respond more effectively to the need for better management and more rational use of resources by the participating organizations, the Unit should take into account any required or potential savings when establishing and implementing its work programme. By adopting more specific, more action-oriented recommendations, it could enhance the impact of its activities.

56. However, in order for the Joint Inspection Unit to function optimally, in accordance with its mandate, the participating organizations must also make an effort to ensure the timely issuance of their comments on JIU reports relating to them. In that context, it would also be necessary to ensure that the Unit's recommendations were implemented without delay once they had been approved by the governing bodies.

57. Furthermore, her delegation wished to know the estimated cost savings resulting from the different recommendations formulated by the Unit. Those figures, which could be included in its annual report, would facilitate an assessment of the practicability of its proposals.

58. The reform currently undertaken by JIU required additional support, not only by the secretariats of the participating organizations but also by Member States, which must devote sufficient time and attention to the consideration of the Unit's findings. By taking a new approach to the Joint Inspection Unit, the General Assembly could surely contribute to the desired strengthening of its role.

59. The JIU reports on the procedures used by the United Nations Secretariat regarding accountability and oversight and staffing for the United Nations peace-keeping and related missions (civilian component) were of great value to the work of the General Assembly. The latter report, in particular, provided a

(Ms. Rotheiser, Austria)

valuable overview of the planning, management and staffing of peace-keeping operations.

60. Mr. KHENE (Algeria) reaffirmed his delegation's support for the Joint Inspection Unit as a major oversight body and said that it fully supported the strengthening of that mechanism for dialogue. JIU had a number of advantages and it must be given the means to use them: apart from ACABQ, it was the only one of the oversight bodies empowered to look into the functioning of the main agencies of the United Nations system and of the system itself. It was uniquely placed to consider and compare the implementation of the main administrative functions and, on the basis of that comparative examination, to make general recommendations with respect to management and finances. The Unit's independence from officials of organizations and its broad representativeness were two other considerable advantages.

61. The positive changes that had occurred recently, namely, the improved quality of reports, the increasingly collegial approach evident in the work of JIU and the willingness to devise a programme of work of greater interest to Member States, should be encouraged. Member States, for their part, should provide the Joint Inspection Unit with the means it needed to carry out its tasks and participating organizations should show greater readiness to cooperate with the Unit.

62. The Unit's work on the civilian component in peace-keeping operations, on accountability and on an integrated library network would definitely contribute to the Organization's operational efficiency. He expressed the hope that the report on analysis of cost savings from JIU reports 1985-1992, would soon be made available to the delegations. Consideration of the report could be crucial to the follow-up of other recommendations. Studies and research should not take precedence over inspections and investigations.

63. Mrs. DAES (Chairman of the Joint Inspection Unit) said that the prevailing climate at the forty-sixth and forty-seventh sessions of the General Assembly during the consideration of the annual reports of the Joint Inspection Unit had not been encouraging and that, for various reasons, the Fifth Committee had been unable to give due consideration to the reports. As a number of representatives had noted during the current discussions, the Joint Inspection Unit had changed its attitude and approach. The constructive comments and views expressed in particular during the previous two sessions of the Fifth Committee had been carefully studied and taken into account. In drawing up its programme of work and preparing individual reports, the Joint Inspection Unit had been guided in particular by the latest recommendations of the Advisory Committee, the recent relevant resolutions and decisions of the General Assembly and the wishes expressed by the participating organizations. The tribute paid by the delegations of the Fifth Committee, during the current session, to the Inspectors for their determined efforts and excellent work constituted a source of encouragement but also of greater responsibility. JIU was thus challenged to do more in the years ahead in order to better serve the agencies of the United Nations system.

(Mrs. Daes)

64. She noted with appreciation that some of the Unit's reports had already been favourably considered under the various agenda items to which they related. Concerning the cost-effectiveness of JIU recommendations during the period 1985 to 1992, the United States delegation had wanted to know the data on which the estimates had been based. The report on analysis of cost savings from JIU reports, 1985-1992, prepared by a senior consultant (Mr. Saddler), had already been published in English as JIU/REP/1993/7. Pending its translation into other official languages, the original version was being processed to be made available to all delegations.

65. The delegation of Poland had referred in particular to the selection and appointment of Inspectors and to the need to organize in the Fifth Committee an open hearing of candidates being considered as Inspectors. That was a policy matter exclusively within the competence of the General Assembly. In any case, the present composition of JIU was satisfactory and in accordance with article 2 of the Unit's Statute.

66. The delegation of Canada had made two very important and constructive suggestions: the first concerned participation, with the United Nations Secretariat, in developing a system of performance evaluations, including for senior officials, and the second, performance of a cost analysis of benefits of various procedures for recruitment of civilian staff for peace-keeping operations (roster, United Nations Volunteers, contractors, United Nations Secretariat). The Joint Inspection Unit would give those suggestions due consideration.

67. The Committee would have further opportunities to continue the discussion of the Joint Inspection Unit's work when it took up consideration of some individual reports on specific issues particularly the reports on staffing of United Nations peace-keeping and related missions (civilian component) (A/48/421) and on accountability and oversight in the United Nations Secretariat (A/48/420). JIU would continue to welcome all proposals from ACABQ that the Unit should inspect or investigate matters that it felt warranted particular attention.

68. As an independent, system-wide entity, responsible for inspection, investigation and evaluation, JIU had a unique and historic role to play. She was convinced that the Unit would effectively contribute, mainly through its action-oriented recommendations, to cost savings and, in general, to the solution of the world's most urgent contemporary problems. The Unit's very limited but efficient staff would spare no efforts to increase transparency and efficiency, promote the most effective methodology and coordination, and improve the management, evaluation and accountability of the United Nations system. In order to achieve those goals, the Joint Inspection Unit should be strengthened and provided with appropriate human and material resources. That particular point had been stressed by a number of delegations. JIU intended to continue to work closely with the United Nations Secretariat, and in particular, with the Department of Administration and Management. She expressed thanks to the delegations for the keen interest they had shown in the JIU reports before them

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and for the wise guidance that they would no doubt provide the Unit during the current session.

69. Mrs. GOICOCHEA (Cuba) said that her delegation had proposed that an evaluation of recruitment and appointment policies should be included in the JIU programme of work for 1994-1995. In that connection, her delegation had indicated that it wished to see included in such evaluation a review of the methodology for applying the principle of equitable geographical distribution, including to high-level posts. Her delegation had also asked the representative of the Secretariat how the Advisory Committee's recommendations on the strengthening of the JIU secretariat, particularly the recommendation regarding its computerization, were going to be implemented. Cuba wanted reference to be made in particular to computerization.

70. Mr. DUVAL (Department of Administration and Management) said that the representative of Cuba was referring to the recommendation in paragraph 42 of the Advisory Committee's report at the previous session (A/47/755), in which the Advisory Committee mentioned the need to increase the computer resources of JIU in the context of the proposed programme budget, taking account of the contribution computers might make to improving productivity. In early 1992, JIU had only a few computer work stations. Substantial resources had been earmarked for the purchase of 16 work stations during the current biennium. While bearing in mind the concern for cost-effectiveness expressed by the Advisory Committee during the consideration of all the budgets of administrative activities jointly financed by the organizations, the proposed programme budget for the 1994-1995 biennium provided for the gradual computerization of JIU.

71. The CHAIRMAN announced that the general debate on agenda item 125 had been concluded.

The meeting rose at 12.40 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
19th meeting
held on
Wednesday, 17 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 19th MEETING

Chairman: Mr. HADID (Algeria)

later: Mrs. EMERSON (Portugal)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 120: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (A/48/5/Add.4 and Add.5, A/48/230, A/48/516, A/48/530, A/48/572 and A/48/587)

1. Mr. PREMPEH (Chairman of the United Nations Board of Auditors) introduced the reports of the Board of Auditors on the voluntary funds administered by the United Nations High Commissioner for Refugees (UNHCR) (A/48/5/Add.5) and on the United Nations Institute for Training and Research (UNITAR) (A/48/5/Add.4). The auditors had continued their practice of summarizing their recommendations, in order of priority, in a single paragraph. The Board had also summarized its main findings, conclusions and recommendations in a separate document, but had treated UNITAR and UNHCR as separate entities, for they did not have enough in common to be consolidated. The Board's comments on the implementation of its previous recommendations were contained in the annexes to its reports. Lastly, it had ensured that the presentation of liquidity positions was made in the context of common accounting standards.

2. The auditors would consider the follow-up of certain provisions of resolution 47/211 in their reports to be submitted to the Assembly at its forty-ninth session. However, they it had already taken steps to ensure that the concerns expressed in that resolution were adequately addressed. First of all, the Board had expanded its audit coverage of all peace-keeping operations without reducing the coverage of regular budget and extrabudgetary activities. The Board was also consulting with the Administration on the submission of a separate document dealing with the financial reports and financial statements for peace-keeping operations. Lastly, during the current biennium, a horizontal study of procurement and computer operations and electronic data processing systems had been carried out. The results of the horizontal study of UNHCR were contained in the report on UNHCR; the deficiencies uncovered in other organizations would be reported at the end of the biennium.

3. The Board had conducted its audit in accordance with existing standards and regulations and, through its Audit Operations Committee, had maintained an ongoing dialogue with the Administrations concerned, thus providing them an opportunity to comment on its findings before the reports were finalized. It had also cooperated with the internal audit services and had held discussions with the Joint Inspection Unit and the Advisory Committee on Administrative and Budgetary Questions.

4. The Board had issued a qualified audit opinion on the financial statements of UNITAR, for it had been unable to satisfy itself that all the transactions included in the financial statements had been effected in accordance with the Financial Regulations of the United Nations and the requisite legislative authority, particularly the expenditures made in excess of paid-in contributions and other available resources.

5. The Board had taken into account the major restructuring of UNITAR provided for in General Assembly resolution 47/227 - which had taken place after the

(Mr. Prempeh)

balance sheet date had been drawn up - and which was considered to have had a significant impact on the financial position of the Institute. It was the Board's view, in particular, that, in future, the UNITAR Administration should formulate its annual budgets on the basis of realizable income and should programme activities and projects only to the extent that voluntary contributions were available. It had also recommended the appointment of a liaison officer to facilitate the transition, as provided for in the Assembly resolution, and the drafting of specific guidelines on the transfer of the Institute's headquarters, which had not yet been done as of the time of the audit.

6. Cash management of the voluntary funds administered by the United Nations High Commissioner for Refugees had been considered particularly deficient in four areas: (a) the field offices' Zero Dollar Imprest Accounts; (b) the opening of bank accounts and the handling of petty cash; (c) the segregation of functions relating to cash management in the field offices; and (d) the discovery of serious deviations from internal control principles. The Board had recommended that priority attention should be given to strengthening the internal control of cash operations in the field offices.

7. Concerning programme management, he said that existing agreements with implementing partners and executing agencies should be amended in order to avoid the problems - particularly delays - which had occurred in project implementation and to resolve questions of accountability and the auditing of project funds. As value-for-money utilization of project resources had not always been up to standard, the utilization of those funds should also be more closely monitored, in particular, through more frequent visits to the field. Lastly, the untimely submission of project monitoring reports had led to lower rates of collection for pledges.

8. Concerning accounts and financial reporting, the Board had advised the Administration the year before to carry out regular reviews of outstanding unliquidated obligations so that unspent funds could be released, where appropriate, for other projects. In 1992, the amount of unliquidated obligations had more than tripled, standing at nearly $343 million, or 32 per cent of total obligations (as against 19.3 per cent in 1991). The proportion of those obligations cancelled in the ensuing years ranged from 20 to 25 per cent, which indicated a consistent pattern of overbudgeting expenditures and earmarking funds to projects for which they were ultimately not used. As the Board had already recommended, there should be a regular review of unliquidated obligations, and the method of allocating funds should be assessed.

9. In most of the field offices visited, many consultants had been hired, some for long periods, to perform the regular functions of UNHCR. A determination should be made as to whether exceptions from existing procedures were called for or whether it was preferable to institute new procedures tailored specifically to UNHCR.

(Mr. Prempeh)

10. The auditors had noted that purchase authorizations were incomplete and that receiving reports for international shipments had been submitted very late, which reflected a serious disregard of prescribed procedures. Shortcomings had been noted in procurement procedures at the field offices, particularly with respect to bidding procedure and the segregation of responsibilities. Measures must be taken to strengthen the capacity of field offices to comply with procurement regulations.

11. Considerable progress had been achieved in the introduction of the Financial Management Information System, and UNHCR should pursue that initiative, coordinating its activities, where applicable, with those of the United Nations Integrated Management Information Systems Steering Committee.

12. Mr. TAKASU (Controller) introduced four reports of the Secretary-General, three of which had been prepared on the request of the General Assembly and the fourth in response to an initiative by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency (IAEA).

13. The information contained in the Secretary-General's report on the implementation of the recommendations of the Board of Auditors in its report for the period ended 31 December 1991 (A/48/516) had first been submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ), whose comments had been taken into account when finalizing the text of the report. In paragraphs 5 to 35 the report indicated, in response to concerns expressed in paragraph 9 of resolution 47/211, measures adopted or planned in the areas of (a) budgetary control, (b) purchasing policy in the acquisition of goods and services, (c) the hiring, granting of remuneration and performance evaluation of experts, consultants and personnel engaged on a short-term basis, (d) managing and controlling the granting of allowances and benefits to staff members and (e) control over the inventory of non-expendable property. The annex to the report contained a schedule of the measures already taken or to be taken in response to the recommendations of the Board of Auditors.

14. The report of the Secretary-General on the recovery of misappropriated funds from staff members and former staff members (A/48/572) had been prepared in response to paragraph 13 of resolution 47/211, in which the General Assembly had requested the Secretary-General to make proposals on establishing legal and effective mechanisms to recover misappropriated funds and on seeking criminal prosecution of those who had committed fraud against the Organization. Steps which the General Assembly might wish to take were indicated in paragraphs 10, 33 and 35.

15. The report of the Secretary-General on accounting standards (A/48/530) had been prepared in response to decision 47/449, by which the General Assembly had requested the Secretary-General to report on the common accounting standards applicable to the United Nations system. Acting through the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) (CCAQ (FB)) and with the assistance of the Technical Group of the Panel of External Auditors of the United Nations, the Specialized Agencies and IAEA, the

agencies in question had completed the establishment of common standards, which were set out in the annex to the report. The General Assembly was invited to take note of those standards.

16. The report of the Secretary-General on independent audits and management reviews of activities of the United Nations system (A/48/587) stemmed from a letter from the Panel of External Auditors, conveying views on independent audits carried out on behalf of donors of extrabudgetary funds and on management reviews of activities of the system carried out on behalf of individual States. In view of the significance of those issues, the Secretary-General had referred the letter to the Administrative Committee on Coordination (ACC), whose response was contained in the annex to the report. The Committee might wish to recommend to the General Assembly that it should endorse the views and recommendations of the Panel of External Auditors, as supported by ACC.

17. Mr. CHUINKAM (Cameroon) said he was pleased that the auditors had complied with the provisions of resolution 47/211, in particular paragraph 18. He regretted, however, that the numerous irregularities highlighted in previous reports had tarnished the image of the Organization at the very time when it was increasingly called upon to promote multilateral cooperation and, in that regard, he stressed that the current financial situation of the Organization and the rapid expansion of peace-keeping operations rendered transparency and integrity absolutely essential in accounting procedures.

18. Although they related exclusively to the United Nations Institute for Training and Research (UNITAR) and the Office of the United Nations High Commissioner for Refugees (UNHCR), the two reports still reflected the situation in the United Nations system as a whole. In that context, he regretted that the recommendations put forward by the auditors in their reports for the period ending in 1991, some of which were intended to remedy long-standing irregularities, had only been partially implemented.

19. Turning to the report on UNITAR (A/48/5/Add.4), he recalled that, in accordance with the revised statute of the Institute and General Assembly resolution 46/180, the Institute's expenses should be fully covered by voluntary contributions. A stop should therefore be put to the practice of making expenses in excess of allotments. The UNITAR Administration should in the future base its annual budget on realizable income, as recommended by the Board of Auditors. In addition, he noted that the Secretary-General had finally designated a liaison officer in accordance with the auditors' recommendations.

20. In his view, UNITAR, whose activities he greatly appreciated, was an integral part of the United Nations and it should therefore be possible to incorporate the Institute's expenses in the Organization's regular budget. Rental charges for the Institute should be waived and, as recommended by the Auditors, the financial status of Special Purpose Grants Funds project should be subject to periodic monitoring.

21. His delegation noted that, in their report on voluntary contributions administered by UNHCR (A/48/5/Add.5), the auditors had noted numerous

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irregularities. Procurement without competitive bidding was tantamount to fraud and that situation had been aggravated by the disappearance of purchase orders and the practice in accordance with which a single staff member was responsible for all procurement operations. Increasing pressure of work was an overworked excuse for delays in processing reports submitted by the implementing partners of UNHCR. As for the numerous departures from administrative instructions relating to the hiring of consultants and temporary assistance, the prevailing circumstances should be reviewed, as recommended by the Auditors. His delegation believed that the officers responsible for the cases cited in paragraphs 84 (a) and (b) of the report should be held accountable. Finally, the deplorable situation described in paragraphs 50 and 52 was unacceptable. Those deficiencies served to weaken internal controls and facilitated fraud. He expressed his deep concern that such irregularities had once again been recorded in the Auditors' report for 1992, although UNHCR had stated, in response to the recommendations contained in the previous report, that it had taken the necessary remedial action.

22. He wondered whether such recurrent anomalies were due to inaction on the part of management or the overwhelming magnitude of the problems to be solved. In any event, the necessary oversight mechanisms did exist and, if properly employed, should be sufficient; there was no need to create new mechanisms.

23. Mrs. Emerson (Portugal) took the Chair.

24. Mr. ORR (Canada) asked when the information requested in paragraph 9 of resolution 47/211 would be submitted by the executive heads of United Nations organizations and programmes.

AGENDA ITEM 126: PATTERN OF CONFERENCES (A/48/32/Rev.1 and Add.1 and Add.2; A/C.5/48/1)

25. Mr. BARIMANI (Chairman of the Committee on Conferences), introducing the report of the Committee on Conferences (A/48/32/Rev.1 and Add.1), said that, in accordance with the biennialization of its programme of work in 1991, it had devoted most of its 1993 deliberations to issues relating to the system-wide planning, coordination and organization of meetings. It had also considered various reports submitted by the Secretariat, as well as the draft calendar of conferences and meetings for 1994-1995. In addition to a summary of the above work, the Committee's report contained specific recommendations for the General Assembly and directives for the Secretariat.

26. The draft calendar of conferences and meetings for 1994-1995 was contained in annex I of the report, and updates to it could be found in addendum 2. The calendar was particularly full owing to the recent establishment of numerous subsidiary organs and the six special conferences scheduled during the biennium. The Committee had worked closely with the Secretariat and the various relevant bodies to prepare a calendar that would meet the needs of the Organization as a whole and, to the extent possible, would avoid the overlapping of meetings

related to the same sector at the same conference location. It strongly urged the General Assembly to adopt the draft calendar of conferences and meetings for 1994-1995. If, in the course of the current session, proposals were made in the Main Committees that could have an impact on the calendar, the Committee would meet to consider them and formulate recommendations.

27. The Committee had approved six written requests for changes or additions to the approved calendar of conferences for 1993 and had recommended to the General Assembly that it should explicitly authorize 11 bodies to meet in New York during the forty-eighth session. It had also examined the draft biennial calendar of conferences and meetings of the Economic and Social Council and had transmitted its comments and recommendations to the Council for consideration.

28. In accordance with the request formulated by the General Assembly in paragraph 3 of its resolution 47/202 C, the Committee had reviewed the implementation of its terms of reference. It had concluded that, while on the whole still valid, they were less comprehensive than those envisaged by the Group of High-level Intergovernmental Experts (Group of Eighteen). The Committee had determined that in future it should concentrate harder on informing the subsidiary organs, providing clear directives to the Secretariat, setting standards and heightening awareness. It had also decided to keep the implementation of its mandate under review in the light of further developments related to conference-servicing requirements.

29. One way that the Committee could make subsidiary organs more aware of the need to optimize the utilization of conference resources was to compile statistics on their use and bring them to the attention of the organs. To encourage those organs to improve their performance, the Committee had decided to raise the minimum conference-servicing utilization rate to 80 per cent. It had also decided to continue to compile statistics for a core sample of organs that had been meeting regularly for the past decade, but it would refine its methodology by providing an analysis of perceived trends and capacity utilization figures.

30. As Chairman of the Committee on Conferences, he had spoken personally with the chairmen of the organs whose conference-servicing utilization rate was below the benchmark figure. For its part, the secretariat of the Committee had contacted the secretariats of the underutilizers. In addition, letters had been addressed to the chairmen and secretaries of subsidiary organs bringing to their attention the importance of utilizing conference services efficiently and effectively. On the basis of the information received in response to those letters, the Committee had developed a set of 22 measures to ensure optimum utilization of conference services. Those measures, which would be brought to the attention of the secretariats of all of the subsidiary organs, were contained in annex II of the Committee's report.

31. In 1993, after carefully reviewing the indices for the availability of pre-session documentation and compliance with the relevant rules, which it had been decided to incorporate into the methodology on conference-servicing

(Mr. Barimani)

utilization rates, the Committee had noted that the deadlines for the submission and distribution of documents were almost never met. It would therefore intensify its efforts to provide information and increase awareness in that area. That was the purpose of document A/AC.172/INF.15, which brought to the attention of all organs and offices concerned the General Assembly resolutions, guidelines and rules on the utilization of conference-servicing resources and control and limitation of documentation and provided information on the notional cost per hour of meeting time and page of documentation. That document had been distributed to all Member States.

32. With respect to the provision of written meeting records to subsidiary organs, the Committee on Conferences had recommended that, in view of the Organization's financial crisis, all bodies currently entitled to written meeting records should review their need for such records.

33. Because it was concerned about non-compliance with the six-week rule for the issuance of pre-session documentation, in paragraphs 92 and 93 of its report the Committee recommended actions to be taken by the Secretariat and invited intergovernmental bodies to review their agendas with a view, inter alia, to combining agenda items and limiting requests for pre-session documentation.

34. As to the meetings of organs and programmes not funded from the regular budget of the United Nations, the Committee on Conferences had reviewed the service requirements submitted by the Executive Board of the United Nations Children's Fund (UNICEF) and the Governing Council of the United Nations Development Programme (UNDP) and had recommended to the General Assembly that it should invite the two bodies to rationalize their requirements to the maximum extent possible.

35. An issue that had attracted the Committee's particular attention was the possibility of coordinating the planning of all organizational aspects of conference servicing, as was already done in the context of the Inter-Agency Meeting on Language Arrangements, Documentation and Publications. The Committee would like to see that mechanism enhanced with a view to optimizing the use of conference services, resources and facilities.

36. The Committee had examined the draft of the Secretary-General's report on United Nations publications policy, contained in document A/C.5/48/10, and had recommended that its comments and observations should be taken into account in preparing the final report.

37. Recognizing the importance of forecasting and planning in the application of new technology to conference servicing, the Committee had asked the Secretariat to include in a report to be submitted to it in 1994 information on the long- and short-range time-frames for the introduction of each innovation at each duty station. Once again, the Committee had urged that, in so far as possible, the introduction of new technology should proceed at the same pace at all United Nations conference centres.

(Mr. Barimani)

38. In the context of its mandate, the Committee had reviewed the fascicle of the programme budget for the biennium 1994-1995 relating to conference services. It had recalled that the timely provision of appropriate, timely, high-quality conference services in the most cost-effective manner possible and with due respect for equal treatment of all official languages was essential for the Organization to function efficiently. The Committee was of the view that, to attain that objective, enhanced coordination and technological innovation were indispensable, but no more so than providing adequate human and material resources. In that regard, it had made several suggestions and recommendations, which were contained in paragraphs 8 to 15 of addendum 1 of its report. The Committee had noted that negotiations were continuing with the United Nations Industrial Development Organization (UNIDO) on the establishment at Vienna of unified conference services to be administered by the United Nations, and it had urged that those negotiations should be concluded as quickly as possible. It had also decided that in future its review of the proposed programme budget for conference services should be expanded to include conference services at Nairobi and the regional commissions.

39. Concerned at the implications which the economy measures announced by the Secretary-General in August 1993 would have for the work of the General Assembly, the Committee had requested its President to address a letter on the matter - which was reproduced in chapter X of the Committee's report - to the President of the General Assembly. During its consideration of the proposed programme budget for conference services, the Committee had again referred to the matter and had expressed deep concern at the continued application of the economy measures, particularly in Geneva, where they affected the provision of conference services to bodies serviced by the Centre for Human Rights. While appreciating efforts aimed at reducing costs, the Committee had recommended that the measures should be lifted with immediate effect.

40. He noted that all the Committee's recommendations and directives were intended to more fully meet the needs of Member States and intergovernmental bodies and ensure that they utilized the conference services made available to them in the most efficient and most cost-effective manner possible. In conclusion, he thanked the secretariat of the Committee for its unswerving support and the Office of Conference Services, which had been a much appreciated partner throughout the work of the Committee.

41. Mrs. CESTAC (Director, Office of Conference Services), describing the general situation with respect to conference services, said that the trends observed in 1992 had been confirmed and accentuated. As the Secretary-General had stated in his report on the work of the Organization, the heightened role of the Organization as a focus for international multilateral dialogue had intensified the demand for conference services in the Secretariat. The activity of the Security Council and its subsidiary bodies, in particular the committees responsible for monitoring the implementation of resolutions on sanctions, had continued to increase; activity outside the political sector had been considerable as well, inter alia, as a result of the recent establishment of new intergovernmental organs or expert bodies such as those established following

(Mrs. Cestac)

the Rio Conference. The Security Council alone had held 606 formal meetings and sessions of consultations of the whole from January 1992 to the end of August 1993. The fact that the Council now functioned like a "task force" imposed, as far as the necessary conference servicing was concerned, constraints which were only incompletely reflected in the statistics for the volume of documentation and meetings.

42. The statistics were none the less quite informative: the volume of translation processed in New York during the first six months of 1993 reflected an increase of some 16 per cent over the same period in 1992, more than half of which was attributable to the activities of the Council; as to meetings servicing, the trend was the same - the number of meetings held in New York receiving interpretation services had been 11 per cent higher than the number in the first half of 1992. The upward trend in the demand for conference services also had been felt at the United Nations Office at Geneva, particularly as a result of the expansion of the activities of bodies serviced by the Centre for Human Rights. At the United Nations Office at Vienna, the restructuring of some substantive units was not expected to have any appreciable impact on the demand for conference services. There was every reason to believe that the trend would continue in the medium term, since the proposed calendar of conferences and meetings for 1994-1995 was particularly heavy, with, for example, six major conferences scheduled for that period.

43. In response to that rising demand, the efforts of the Office of Conference Services, which were in line with the strategy outlined in the medium-term plan, took into account the guidelines provided by the Committee on Conferences and the General Assembly, the continuing objective being to ensure the rigorous management of resources allocated for meetings servicing and documents processing while maintaining the requisite quality of services.

44. With a view to improving the management of conference services as a whole, the Office had endeavoured, in accordance with the recommendation of the Committee on Conferences as endorsed by the General Assembly in the final preambular paragraph of resolution A/47/202 C, to strengthen the means at its disposal for global planning, initially by making changes in its organizational structure so as to include under the Office of the Director functions relating to the coordination of technological innovations and documents control; and subsequently, by establishing a system of consultations between the three major United Nations conference centres and the agencies of the United Nations system, in particular, in the context of the Inter-Agency Meeting on Language Arrangements, Documentation and Publications (IAMLADP), and by developing staff exchanges and transferring workloads between centres, taking into account peak and slack periods. Lastly, the Office had continued to acquire more efficient management and planning tools. The computerized documents tracking system (DRITS) had been linked to author departments in New York; it was now operational in Geneva and was being installed at Vienna. A computerized system for scheduling interpretation assignments had made possible the improved management of the capacity of the Interpretation Service, especially with regard to cancellations or postponements. There also were plans to use computers in managing the calendar of conferences.

(Mrs. Cestac)

45. With regard to the planning of meetings, the Office had worked in close cooperation with the secretaries of various bodies in order to spread meetings out as evenly as possible over the biennium and avoid the scheduling of several meetings dealing with the same area at the same time and in the same centre. That close cooperation with the substantive departments extended to the scheduling of meetings: a coordination meeting with the secretariat of the General Assembly and the secretaries of the Main Committees had been held every week since the beginning of the forty-eighth session. Prior to the start of the session, as in previous years, a coordination meeting had been held at which the Office had drawn attention to the rules laid down by the General Assembly for rationalizing the use of meetings servicing resources and for the control and limitation of documentation. Similar arrangements were in place in the other two main conference centres.

46. On the subject of the limitation of documentation, the reports of the Committee on Conferences indicated fairly clearly that the action taken thus far had had but little impact. The Office did not have the power to enforce rules on the length of documents which did not emanate from the Secretariat. As to the number of documents, the Secretary-General himself had seen fit to invite Member States to carefully review the need for every report. To facilitate such a review, the Secretariat had set up two working groups, in which the Office of Conference Services was represented, to evaluate the usefulness of all reports dealing with political and with economic and social matters, respectively.

47. Where the processing of documents was concerned, the verbatim records of the meetings of the General Assembly were now issued immediately as official records, together with any necessary corrigenda, as required by paragraph 17 of General Assembly resolution 47/202 B; that measure did not appear to have affected the timing of issuance. The Office, together with the Security Council secretariat, had studied the possibility of extending the arrangement to the verbatim records of the Council's meetings, and a proposal on the subject would soon be before the Council.

48. Furthermore, in accordance with the strategy set forth in the medium-term plan, the goal of which was to establish an integrated production chain, the Office was continuing its step-by-step application of technological innovation to document processing. Thanks to the conversion of the word-processing units to WordPerfect software, which was virtually complete, computer-assisted publication (CAP) was feasible on a much larger scale. Since 1992, official documents had been edited on computer and transmitted in electronic form either to copy preparers or directly to the reproduction shop.

49. The optical disk system had been accessible to the permanent missions in New York since September and for several months in Geneva where a number of missions were linked to it. Adding the Secretariat to the network would enable word-processing personnel to take advantage of the system. The third phase of the establishment of the system, to begin in 1994, provided for an increase in the number of retrieval stations within the Secretariat, the linkage of additional permanent missions and the extension of the system to some external offices. Where translation was concerned, the programme budget estimates for

(Mrs. Cestac)

1994-1995 provided for the acquisition of personal computers to reinforce the still rudimentary equipment in the translation services. The Office was studying very actively the benefits to be derived from computer-assisted translation systems which would centralize the work tools required by translators. In an initial stage, the computers, once networked, would be linked to the optical disk system and the terminology and reference data-bases.

50. The productivity of conference services had continued to increase, thanks not only to tighter management but also to the dedication of the staff. In New York the average productivity of translators in the first half of 1993 had increased by 11 per cent in comparison with the same period in 1992.

51. However, despite progress made, and despite the various measures introduced by the Office to meet growing needs efficiently, serious problems remained, particularly with regard to documentation. Thus, notwithstanding the General Assembly's injunction in paragraph 15 of its resolution 47/202 B, the summary records of meetings would not be translated during the session. One of the reasons was that, as in 1992, a number of posts had been frozen and furthermore 1993 had seen the particularly late submission of pre-session documentation: with less than six weeks to go until the date on which the Assembly was aiming to finish its work in 1993, 30 per cent of those documents had yet to be submitted.

52. With regard to the budget estimates for conference services, which the Committee had not yet taken up, she wished to recall the fact that the Committee on Conferences had stressed the need for the Office to have adequate resources to deal with the growing workload and to enable it better to comply with the deadlines set for the submission of documentation, and had stated that while enhanced coordination and technical innovation were indispensable, it was equally essential to provide adequate human and material resources. She wished to point out in that connection that the requests for resources were in line with the resources which had actually been allocated to Conference Services during the current biennium and that the Secretary-General's proposals left no room for manoeuvre, other than through new productivity gains. It was therefore to be hoped that the Committee, with the aim of providing the Office of Conference Services with the resources to carry out its mission as effectively as possible, would receive favourably those proposals.

AGENDA ITEM 121: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/48/16 (Part I) and (Part II) A/48/277, 281, 428 and 452)

53. Mrs. GOICOCHEA (Cuba) said that the reports published under the symbols A/48/428 and A/48/281 should have been submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) before being submitted to the Fifth Committee and she requested the Secretariat to take steps to ensure that such a situation did not occur again in the future.

(Mrs. Goicochea, Cuba)

54. It was unfortunate that the report of the Secretary-General on restructuring and efficiency of the Secretariat (A/48/428) did not correspond to the request made in Section II, paragraph 6 of General Assembly resolution 47/212. It was particularly important, since the programme budget estimates were being considered that year, that the Committee for Programme and Coordination (CPC) and the various intergovernmental bodies should have available an analytical report showing the impact of restructuring on programmes. In addition, the programme budget estimates had not yet been submitted to the Main Committees of the General Assembly and other competent bodies. Her delegation therefore had the impression that the restructuring was being carried out without Member States being able to look seriously at its impact on the effectiveness of the Organization, in other words, its ability to carry out its mandates as reflected in the various programmes. Her delegation endorsed the recommendation made by the Committee for Programme and Coordination in paragraph 16 of Part II of its report that the analytical document in question should be submitted to the General Assembly at its forty-ninth session, but considered that it was vital that the report should be considered first by the competent intergovernmental bodies; she hoped that the draft resolution on the question of the efficiency of the Organization would reflect those requirements.

55. Her delegation wished to stress, also in connection with document A/48/428, that it agreed with the representatives of Kenya and Pakistan that the issue of economic and social development occupied a predominant position in the Organization's work and that the restructuring of the Secretariat should take that into consideration. It was therefore surprised to read in the first sentence of paragraph 82 of the report, that human rights ranked second among the concerns of the United Nations, Article I, paragraph 3 of the Charter of the United Nations notwithstanding. Moreover, the programme budget estimates for the biennium 1994-1995 did not accord with the priorities set by the General Assembly in its resolution 45/253. It was also to be regretted that the Global Conference on the Sustainable Development of Small Island Developing States had not been mentioned in paragraph 18 of the report.

56. Not enough emphasis had been placed on the need to eliminate duplication within the Secretariat, in particular between some positions in the Executive Office of the Secretary-General and those in other departments, and she expressed the hope, as had other delegations, that the restructuring would be extended in that direction. She hoped that measures would be taken in that connection within the framework of the programme budget estimates for the biennium 1994-1995. It was also important that before taking a decision on the incorporation of the Office of Project Services of UNDP within the Department of Development Support and Management Services, the Fifth Committee would have before it the relevant information on the modalities of carrying out that merger as provided for in section II, paragraph 6 of General Assembly resolution 47/212. Her delegation endorsed the comments made by Pakistan on decentralization and hoped that the Secretary-General would submit a detailed report on that issue.

(Mrs. Goicochea, Cuba)

57. With regard to document A/48/281, she welcomed the fact that the introduction contained a reminder of the Committee's recommendation that the mandate of the Fifth Committee in administrative and budgetary matters should be fully respected. Her delegation endorsed the Committee's conclusions and recommendations with regard to the report, but considered that any possible recommendation which meant taking into consideration estimates regarding expenditure on preventive diplomacy and peacemaking should be submitted to the Advisory Committee. Finally, her delegation fully supported the conclusions and recommendations of the Committee concerning the accountability and responsibility of programme managers in the United Nations (A/48/452).

The meeting rose at 12.15 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
20th meeting
held on
Thursday, 18 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 20th MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 124: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS (A/48/460, A/48/503 and Add.1 and A/48/565 and Corr.1)

1. Mr. TAKASU (Controller) introduced three reports of the Secretary-General, the first of which (A/48/503 and Add.1) was a factual analysis of the Organization's financial situation. Annexes I and II in the addendum had been updated to 31 October 1993 but the text itself took into account only the information available as of mid-October. Since the issue of the addendum $7.2 million had been paid into the regular budget; as of 17 November outstanding contributions totalled $1.7 billion, of which $1,165 million was owed to the regular budget and $535 million to the budgets of peace-keeping operations; 42 countries had paid nothing in 1993 and only 70 had paid their contributions to the regular budget in full.

2. Notwithstanding the contributions received in recent weeks, the financial problems of the Organization remained extremely serious. The Secretary-General was therefore appealing to Member States to pay their arrears as quickly as possible and to those in a position to do so to make an advance payment on their 1994 contributions. The cash-flow situation of peace-keeping operations remained very precarious, and the United Nations Transitional Authority in Cambodia (UNTAC) had joined the United Nations Angola Verification Mission (UNAVEM) and the United Nations Observer Mission in El Salvador (ONUSAL) as operations having chronic cash-flow difficulties. The Peace-keeping Reserve Fund stood at only $64.2 million instead of the envisaged $150 million. It was imperative for the General Assembly to find means of restoring the Organization's finances on a durable basis, and the ideas of the Independent Advisory Group on United Nations financing made a timely contribution to the Assembly's deliberations.

3. The conclusions and recommendations of the Independent Advisory Group appeared in document A/48/460. In document A/48/565 the Secretary-General commented on the recommendations, the main lines of which had his approval and were compatible with the ones which he had himself formulated earlier. The Secretary-General thought that three of the recommendations should be given priority attention: an increase in the Working Capital Fund, which had stood at $100 million since 1981 and should be tripled in the Secretary-General's opinion, to represent about 25 per cent of the annual regular budget; an increase in the peace-keeping reserve fund - the Secretary-General agreed with the Independent Advisory Group that it should be increased from $150 to $400 million, or a little less than two months' expenditures at the 1993 rate; and the charging of interest on late payments - an idea well-received at the forty-seventh session on which the Secretariat was ready to make concrete proposals concerning the modalities of implementation, if the recommendation was approved by the General Assembly.

4. Mr. FRANCIS (Australia), speaking on behalf of Australia, Canada and New Zealand, said that the Secretary-General had quite rightly drawn attention in document A/48/503 to the unacceptable arrears accumulated by a number of Member

(Mr. Francis, Australia)

States in spite of the commitments into which they had entered freely and unconditionally. The main effect of the arrears was to drain the Organization's reserves and delay the reimbursement of costs to troop-contributing countries. While it was true that in 1993, unlike the two preceding years, the General Fund had had to borrow only $15 million from the peace-keeping accounts in order to remain in surplus, the Organization had nevertheless come close to bankruptcy at a time when the international community was entrusting it with increasingly complex and urgent tasks both in peace and security matters and in economic and social development. The United Nations must have an adequate and predictable source of funding.

5. A reversal of the improving trend of the past three years in the pattern of payment of contributions would be an extremely serious matter. The United Nations would become unworkable if countries unilaterally withdrew their financial support - and it was for the major contributors to set an example.

6. In paragraph 26 of the report the Secretariat had at last acknowledged the delays in the issue of the letters of assessment for contributions to the budgets of peace-keeping operations. However, the delays took pl ce before the budgets were presented to the Fifth Committee. For an increasingly large number of operations the Secretariat made financial commitments without having submitted any budgets. It was therefore at that stage that the procedure must be speeded up. The three delegations understood that the Under-Secretary-General for Administration and Management had proposed to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that it should examine measures for that purpose, and they would like to know the outcome of his initiative. According to paragraph 24 of the report, there was an increasing trend for the Secretary-General to be authorized to incur peace-keeping expenditures without being given concurrently the corresponding authority to levy assessments. If anything, the trend had been in the opposite direction: in the resolutions on the budgets of peace-keeping operations adopted in September the General Assembly had authorized the Secretary-General, subject to certain conditions, to incur expenditures beyond the current mandate periods and to issue the assessments. If the Secretariat needed further authorizations, it could all the more easily request them from the Assembly as the Fifth Committee was in almost continuous session.

7. With regard to the recommendations of the Independent Advisory Group, the Secretary-General was right to argue that the payment of assessments in quarterly instalments was likely to create serious problems in the first quarter of each year without however solving the cash-flow difficulties which arose throughout the year. Therefore, the recommendation should not be adopted until more Member States were in a position to pay their contributions on time. On the other hand, since some Member States remained deaf to all the arguments used so far, it would be a good idea, as the Secretary-General suggested, to authorize the Organization to charge interest on arrears. Arrears should be redefined as amounts unpaid 30 days after the issue of each letter of assessment in order to reduce, without any amendment of Article 19 of the Charter, the three years currently granted to States in arrears to two years, as stipulated in the Charter.

(Mr. Francis, Australia)

8. The three States agreed that the level of the Organization's reserves was inadequate, but it was inappropriate to make additional assessments to increase the reserves while arrears remained at such a high level nor should the Secretariat be authorized to borrow commercially. However, the budget surpluses due to Member States in arrears should not be paid to them but into the appropriate reserve fund. That measure might also be applied to the surpluses retained from earlier financial periods, which could be used to increase permanently the levels of the Peace-keeping Reserve Fund and the Working Capital Fund, in that order.

9. The principle of a unified peace-keeping budget also deserved support. It would in fact be in the interest of the Secretariat and of States Members to make the timing and amounts of letters of assessment more predictable. The difficulties of the proposed formula ought not to be insurmountable; for example, the Secretary-General's proposal to make appropriations on an annual basis and to issue assessments only as mandates were renewed would satisfy one of the concerns felt by Member States.

10. No progress had been made in improving the financing arrangements for peace-keeping start-up costs. The Peace-keeping Reserve Fund served little useful purpose in that connection, because it was unlikely to be fully capitalized in the short term and such amount as was maintained in the Fund was drawn on to finance ongoing operations. He therefore supported the proposal that the Secretary-General should be authorized to notify Member States of their assessments immediately the Security Council mandated a new operation, without waiting for the General Assembly to consider the budget. So that that would not lead to still further delays in the submission of budgets, a time-limit should be set which the Secretariat would be required to honour.

11. The innovative proposals put forward by the Secretary-General in his "An Agenda for Peace", mentioned in paragraph 57 of his report, merited careful consideration. As the Secretary-General pointed out, there would be nothing inconsistent in the Organization accepting funds from non-governmental sources, provided they were used to further the aims of the United Nations.

12. Lastly, on a more general note, the Secretariat and Member States must work together to resolve the dilemma posed by the disagreement between those who argued that the United Nations would never improve until it had a more predictable and reliable source of funding and those who argued that until confidence in the management of the Organization was restored, such funding would not be provided. Member States must honour the obligations they had undertaken in ratifying the Charter, and the Secretariat needed to adopt a new management culture based on measurable objectives, managerial accountability and performance-related rewards.

13. Mr. SUCHARIPA (Austria) said he found it difficult to understand how the majority of Member States could continue to fail to observe their financial obligations, particularly when they had no hesitation in approving new mandates. That attitude, which was comprehensible when an economic crisis or natural

(Mr. Sucharipa, Austria)

disaster affected a Member State, was unacceptable when it was based on purely political considerations.

14. His delegation deplored the fact that annex II of the report of the Secretary-General (A/48/503) made no distinction between arrears, on the one hand, and outstanding contributions, on the other, and that Member States which made every effort to meet their financial obligations in full and on time were listed along with those which did not comply with the Financial Regulations and Rules of the Organization. It also regretted the delay in reimbursements to troop-contributing countries and believed that a satisfactory solution must be found in the near future.

15. His delegation was ready to examine all the proposals in the report of the Independent Advisory Group on the financing of the United Nations (A/48/460), some of which had already been put forward by the previous Secretary-General and considered by the Advisory Committee and the General Assembly. Penalties should be established to persuade countries to pay their contributions in full and on time. It was a matter of guaranteeing the Organization's financial stability and of fairness to those States which paid their assessments and provided troops. If all Member States paid as they should, assessed contributions could be paid in four quarterly instalments, each due within 30 days. After a short grace period, the Organization should charge interest on late payments, at the international rate; the formula for calculating the geographical distribution of posts should take into account the amount actually paid and not the amount payable; only those Member States which had met all their financial obligations in timely fashion should be eligible for election or be able to appoint representatives or experts to the councils, committees, subsidiary organs and expert bodies of the United Nations and the bureaux of those bodies. Further, the Secretariat should interpret Article 19 of the Charter restrictively, so that Member States in arrears would effectively lose their right to vote after two years. If those proposals were accepted, his delegation would be willing to discuss an increase in the reserve funds, especially the Working Capital Fund; if they were not, there would be no point since the amounts requested would probably never be paid. In that connection, it found the idea of retaining the budgetary surpluses owed to Member States which were behind in paying their contributions to the regular budget in order to replenish the Working Capital Fund an interesting one. The practice of returning surpluses to States in arrears was questionable. A possible increase in the reserves should be accompanied by other measures; otherwise it would be tantamount to subsidizing delinquent contributors.

16. With regard to the financing of peace-keeping operations, his delegation believed that the special rights enjoyed by the members of the Security Council, particularly the permanent members, were matched by certain obligations and responsibilities. In order to speed up the process of submitting budgets for peace-keeping operations, it proposed that the Secretariat departments concerned should be restructured and strengthened; that costs for supplies and materials should be standardized; and that a permanent consultation mechanism should be established between the Security Council and the Fifth Committee with regard to

(Mr. Sucharipa, Austria)

peace-keeping operations, so that the Council would have a clearer picture of the cost of certain operations and the General Assembly could act more rapidly.

17. The idea put forward in the report of the Independent Advisory Group, of establishing a unified peace-keeping budget financed by a single annual assessment was impracticable at first sight because of the unpredictability of such operations, but it was interesting in that it would ensure better comparability of data, greater predictability regarding payments, and less frequent examination of budget proposals, especially for long-term operations. His delegation was prepared to consider the preparation of annual budgets for those operations which had lasted for two years.

18. On the other hand, his delegation could not agree that the Secretary-General should be permitted to obligate up to 20 per cent of the initial estimated cost of a peace-keeping operation once it had been approved by the Security Council. Such a measure would be tantamount to transferring authority from the General Assembly to the Security Council, and his Government could not agree to be assessed on the basis of a decision taken by an organ of which it was not a member. In order to ensure the inflow of cash, it would be better to strengthen the Secretariat so that it could produce budget estimates more rapidly.

19. Any measure aimed at persuading Member States to meet their financial obligations must be accompanied by a serious effort at economy and rationalization on the part of the Secretariat. In that connection, any effort to strengthen external and internal controls, for example by unifying the existing mechanisms, would be welcome.

20. Mr. BREITENSTEIN (Finland), speaking on behalf of the Nordic countries, said that the analysis by the Secretary-General of the financial situation of the United Nations (A/48/503) showed yet again that most Member States were delinquent in their payments. In January, only 18 of them, including all the Nordic countries, had paid their 1993 assessments to the regular budget in full. There was only one durable solution to the crisis: Member States must comply with their financial obligations in full, on time and unconditionally, and the permanent members of the Security Council had a responsibility to lead the way. Appropriate incentives and sanctions must be found in order to attain that objective.

21. At the same time, there was an urgent need to scrutinize all ongoing programmes in order to eliminate those that were obsolete or of only secondary importance. Member States must also be more selective in future in their choice of new programmes. Other essential measures included an analysis of the Organization's overall capacity to respond to present and future demands, priority-setting - whether in the security field or in the economic and social sector - and burden-sharing, through regional organizations and arrangements, on the basis of a realistic assessment of the overall volume of available funds. The Committee should draw the attention of the other competent United Nations organs to that issue.

(Mr. Breitenstein, Finland)

22. Troop-contributing countries continued to bear the burden of the shortfall in peace-keeping contributions. That was unacceptable, and the countries concerned could not always be satisfied with mere expressions of appreciation.

23. As to the recommendations put forward in document A/48/460, many of which had been presented before, the Nordic countries were in favour of maintaining the principle of approving the regular budget by consensus. If all countries fulfilled their obligations - in particular their financial obligations - under the Charter, the debate on the financial situation of the United Nations would be more constructive. In that connection, the Nordic countries found it inadmissible that Member States should unilaterally set conditions for fulfilling their statutory obligations.

24. The idea of breaking up contributions into four quarterly instalments was interesting, provided that, as the Secretary-General pointed out, Member States gave every assurance that they would pay those instalments on time.

25. The Nordic countries supported the recommendation that the United Nations should be given authority to charge interest on late payments and wondered whether a positive incentive should not also be introduced. They would welcome the Secretary-General's views on that matter during the course of the session. In any case, they were prepared to support a separate resolution on that important subject.

26. The Nordic delegations remained opposed to the practice of internal borrowing. Even though payments to troop-contributing countries had been delayed, some peace-keeping operations had run a deficit throughout the year. As the members of the Independent Advisory Group indicated, the United Nations should not be resorting to questionable forms of financial management to mask a cash shortfall that should be dealt with more directly.

27. On the subject of reserve funds, the Nordic countries reiterated their earlier position, namely that they would be prepared in principle to support the recommendation that the level of the Working Capital Fund should be raised to $200 million. However, they stressed that the Working Capital Fund was only a reserve fund and should not be used to cover deficits. Further consideration should be given to the recommendation that the United Nations should replenish its reserves by crediting to the Working Capital Fund budgetary surpluses owed to Member States with regular budget arrears.

28. The Nordic countries agreed with the recommendation that the United Nations should not be given authority to borrow externally and supported the shortening of the statistical base period used to establish the scale of assessments.

29. With respect to the financing of peace-keeping operations, the Nordic countries did not believe that the establishment of a $400 million revolving fund would improve the situation. It would be better to make the existing Peace-keeping Reserve Fund fully operational and to use it for its original purpose. They found the Secretary-General's comments concerning the establishment of a single unified peace-keeping budget sound, and they looked

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forward to further discussions on that matter. They supported the recommendation that the Secretary-General should be permitted to obligate up to 20 per cent of the initial estimated cost of a peace-keeping operation once it had been approved by the Security Council. The details of such an arrangement would have to be discussed as part of the overall peace-keeping budget process.

30. The recommendation that the administrative expenditures of all United Nations programmes currently funded by voluntary contributions alone should be financed by assessed contributions was acceptable, as was the idea of inviting voluntarily funded agencies to seek a larger portion of their funding from multi-year, negotiated pledges. Indeed, the Nordic countries had introduced a proposal to that effect at the forty-seventh session of the General Assembly during discussions on the restructuring of the United Nations system in the economic and social fields.

31. Members States which fulfilled their financial obligations had a right to expect full accountability for resources placed at the Organization's disposal and to verify that the Financial Regulations and Rules were observed. It was essential that the United Nations should exercise prudent economic management and constantly improve its system of internal controls.

32. Looking to the future, Member States should set the very specific goal of correcting the financial situation by 1995, the year in which the Organization would celebrate its fiftieth anniversary. In the final analysis, solving that problem was only a question of political will, but political will was necessary.

33. Mr. BAHADIAN (Brazil) said that it was incumbent upon Member States to reach a common understanding of how to fund United Nations activities since the success of the activities depended on it. The report of the Independent Advisory Group was very useful in that regard. The report was based on three correct assumptions, set forth in paragraph 16, which led to recommendations which, for the most part, his delegation supported.

34. Recommendation 1 supported the existing division of United Nations financing into three categories, which ensured a more equitable cost-sharing by the membership while allowing Member States to pursue their own priorities by means of voluntary contributions. Further adjustment might, however, be required. Thus, with respect to the support account for peace-keeping operations, the Secretary-General pointed out that backstopping for most operations was funded under the regular budget. The regular budget also covered the costs of the United Nations Military Observer Group in India and Pakistan and the United Nations Truce Supervision Organization. His delegation took the view that a core of specialized peace-keeping personnel should be financed under the regular budget, while the support account for peace-keeping operations should be used to meet fluctuations in the workload of the Department of Peace-keeping Operations. The Secretary-General had made proposals along those lines in his report on the support account (A/48/470).

35. The ever-expanding scope of peace-keeping operations also deserved attention. His delegation had already stressed the risks inherent in such a

(Mr. Bahadian, Brazil)

trend. Peace-keeping operations were not necessarily the most appropriate mechanism for humanitarian and development assistance. In most cases such assistance would probably be delivered more effectively by the separate systems developed for those purposes.

36. The Independent Advisory Group confirmed the validity of the special peace-keeping scale applied since 1973. He recalled the principles underlying the General Assembly decision, and noted that no change had taken place that would warrant any departure from those principles.

37. His delegation fully supported the consensus procedure for the budget. Consensus decisions should be pursued wholeheartedly on such important matters as the budget and the scale of assessments. Recalling that the current budgetary process reflected the criteria established by the General Assembly in its resolution 41/213, his delegation insisted that it should be respected in the case of the proposed programme budget for the biennium 1994-1995, which should be adopted before the forty-eighth session was suspended.

38. The Independent Advisory Group rightly stressed that the only real way out of the financial problems besetting the Organization would be for Member States to pay their assessed contributions in full and on time. In fact the cash-flow problems of the United Nations followed a regular pattern and had consistently been more acute in August and September. Member States' legislative procedures for budget approval seemed to be the main reason.

39. Regarding the possibility of paying contributions in four quarterly instalments, his delegation shared the concerns expressed in the Secretary-General's report. His delegation also had doubts regarding the extent to which the charging of interest would have any real impact, but was ready to discuss the point further.

40. Regarding an increase in the level of the Working Capital Fund to US$ 200 million and the establishment of a larger peace-keeping revolving fund, it should be noted that the Organization already had various funds and reserves that were currently depleted. If Member States paid their contributions those funds would return to their normal level. The problem thus lay in the lateness of payments and not in the inadequacy of reserves. Until the matter was resolved the credits due to Member States for past surpluses would have to be withheld, despite his delegation's reservations regarding such a derogation from the Financial Rules and Regulations.

41. Resorting to commercial or multilateral agency loans would not increase the willingness of Member States to pay in full and on time, nor would it strengthen budgetary discipline in the Secretariat. In fact there would be a substantial risk that the current cash-flow crisis would be transformed into a fully fledged financial crisis.

42. With respect to the scale of assessments for the apportionment of expenditures under the regular budget, his delegation wished to stress that while, in the view of the Independent Advisory Group, the current formula was

(Mr. Bahadian, Brazil)

based on a good approximation of Member States' capacity to pay, it did not generate fair rates of assessment for countries experiencing drastic changes in their national incomes. All in all a shorter statistical base period with a scheme of limits seemed to be equivalent to a longer base period without such a scheme.

43. The Independent Advisory Group foresaw a significant increase in peace-keeping costs over the next few years. In the view of his delegation the peak had already been reached. The phasing out of the United Nations Transitional Authority in Cambodia would release resources that might be needed to launch new operations or strengthen existing operations. In the worst case scenario Member States would have to meet only incrementally higher costs. In any event his delegation was in favour of a thorough reassessment of peace-keeping operations in the light of the experience gained with the recent multi-purpose operations.

44. His delegation had reservations regarding the establishment of a unified peace-keeping budget, to be financed by a single annual assessment. Such a budget would certainly require more time and effort to prepare than the regular budget, which was four times smaller and was supposed to include only mandated programmes. The Secretariat already had difficulty in preparing a budget operation by operation. Further, peace-keeping operations were non-recurrent activities and did not lend themselves to a budgetary process based on the regular budget. For similar reasons the proposal that the Secretary-General should be permitted to obligate up to 20 per cent of the initial estimated cost of a peace-keeping operation - the Secretariat's request being for permission to obligate up to one third - engendered considerable misgivings on the part of his delegation. In 1992 his delegation had expressed its difficulties with the idea of front budgeting, since it was not conducive to good planning and would entail a number of risks.

45. Turning to the composition of the groups for the apportionment of peace-keeping expenses, his delegation noted that the working group established pursuant to General Assembly resolution 47/218 had not been able to reach any conclusion. The question was sensitive, and any significant changes must command wide support.

46. As to voluntary funding, pledges should be negotiated, where feasible, on a multi-year basis. In that regard, his delegation fully shared the concerns recently expressed by the UNDP Administrator regarding the need for adequate and predictable financing for development activities. Lastly, as the Independent Advisory Group had noted, the current proposals regarding additional funding from non-governmental sources were neither practical nor desirable.

47. His delegation was convinced that the only means of improving the financial situation of the Organization continued to be full and timely payment of assessed contributions. In that regard he was pleased to report that his Government, in spite of severe fiscal constraints, had made a considerable effort to offset its arrears. All its contributions to the regular budget and peace-keeping operations for 1991 and 1992 had been paid, and the Congress and Ministry of Finance were working on a programme that would result in payment by

(Mr. Bahadian, Brazil)

the end of the year of a significant portion of the remainder of the outstanding contribution for 1993.

48. Mr. HEART (Panama), speaking on behalf of the Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama), said, with reference to document A/48/503, that the amounts owed to the Organization remained large, despite the Secretary-General's personal high-level intervention to request Member States to meet their obligations. The measures taken to date had had little effect since, on 31 December 1992, the rate of collection of outstanding contributions for 1992 had been only slightly higher than the rate for 1991, which had been the lowest ever.

49. Certainly, the best way to improve the financial situation of the Organization would be for Member States to pay their assessed contributions in full and in a timely manner. In order to encourage them to do so, the Central American countries suggested modifying the rules governing elections inside the Organization: States with more than 20 per cent of their contributions outstanding at the beginning of a General Assembly session would not be allowed to vote or to put forward a candidate and would also lose, either temporarily or permanently, posts already filled. Convinced that such a measure would be very effective the Central American countries paid tribute to the 18 Member States which, without such prompting, had fulfilled their commitments within the mandatory 30 days and to the 44 other States which had paid their assessed contributions in full by 30 September 1993.

50. For their part, the Central American countries were determined, despite a difficult economic situation, to pay their debts to the Organization, as soon as they could. They were prepared to support any effective measures to rectify the financial situation of the Organization, but they expected the Administration to seek its own solutions. Priority must be given to establishing effective controls and to taking the measures needed to meet the deadline for a careful examination of the modalities of peace-keeping operations. Undoubtedly, the various peace-keeping, peacemaking and peace-building activities were indispensable, but their proliferation was a cause for concern for the Central American countries since they were absorbing a growing proportion of the Organization's limited resources. Development and international cooperation were being relegated to the background, when they should be at the centre of the Organization's concerns.

51. Among other initiatives which could be contemplated, he wished to draw attention to the possibility of reducing secretariat staff to a minimum. That was one of the first solutions that international financial organizations recommended to developing countries requesting assistance.

52. Mr. HANDIQUE (India), referring to document A/48/460, noted with concern that the established practice whereby proposals on substantive questions were submitted either by the Secretariat or by Member States, the latter alone being authorized to defend their points of view before the Fifth Committee, had not been respected and that the Secretary-General had circulated as an official document of the General Assembly a document produced by an independent group

(Mr. Handique, India)

from outside the Organization. He hoped that the situation would not be repeated. Furthermore, the report posed a procedural difficulty in that its recommendations covered several agenda items. Therefore, the Committee would find it necessary, if it was to consider the report, to take up each individual recommendation separately under the relevant agenda item. In any event, India would not comment on the report until it had received technical advice from ACABQ. The formulation in the report of hasty generalizations with regard to the Indian subcontinent, a practice which he had already condemned, was regrettable.

53. He noted with regret that the Secretary-General's report on the financial situation of the Organization (A/48/503) had not included all the information requested by the General Assembly in resolution 47/215, in particular in paragraph 3. He would like the Secretariat to indicate before the end of the forty-eighth session the total amount owed to each of the troop-contributing countries and to specify whether the total amount indicated in paragraph 37 of the report also included the United Nations Operation in the Congo (ONUC) and the United Nations Emergency Force (Middle East) (UNEF) for which payments to India had been in arrears for a very long time. India had the right to ask whether an effort had really been made to redress a situation which had become unacceptable. Solutions proposed to address the problem included the possibility of financing reimbursements from interest accruing to the reserves in the Special Account or the Peace-keeping Reserve Fund and, as India had previously suggested, offsetting those amounts against future assessed contributions. Those proposals did not require the approval of any intergovernmental machinery; they were the responsibility of the Secretariat.

54. The payment of assessed contributions in full and on time clearly was the best way to ease the financial difficulties of the Organization. At the same time, however, India was prepared to examine ways and means to improve the situation. For example, India had supported the establishment of the Peace-keeping Reserve Fund and regretted that the second tranche of the Fund had not yet been activated. It was inclined to support proposals to increase the level of the Working Capital Fund and was open to suggestions on the size of the increase. It also believed that schemes for the charging of interest and the payment of contributions in instalments deserved consideration. In any case, India looked forward to receiving technical advice from ACABQ in order to facilitate the work of the Committee.

AGENDA ITEM 120: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (continued) (A/48/5/Add.4 and Add.5, A/48/230, A/48/516, A/48/530, A/48/572 and A/48/587)

55. Mr. OKWEI (Ghana), referring to document A/48/5/Add.4, noted that, in 1992, UNITAR expenditures had once again surpassed contributions received by a significant margin, and the deficit had to be filled by the United Nations General Fund. The Board of Auditors had concluded that the UNITAR General Fund was no longer financially viable. For its part, the General Assembly had decided in resolution 47/227 that, effective 1 January 1993, the UNITAR administrative budget and training programmes would be financed exclusively

(Mr. Okwei, Ghana)

through voluntary contributions, gifts, special-purpose grants and executing agency overheads. He called upon the Secretary-General to keep that recommendation in mind and to submit proposals, where appropriate, with a view to putting the Institute on a solid financial footing. In the meantime, UNITAR should follow the recommendation of the Board of Auditors not to plan any more programmes than could be financed using available voluntary contributions. In addition, the Board of Auditors had recommended that a liaison officer should be designated soon who would be responsible for restructuring UNITAR and for transferring accounting and financial services from New York to Geneva.

56. With respect to the voluntary funds administered by the United Nations High Commissioner for Refugees (UNHCR), Ghana noted with concern that the Board of Auditors had identified shortcomings in several areas: cash management, administrative coordination, reporting, inventories, etc. Among other serious deficiencies, the Board of Auditors noted in paragraph 30 of its report that 77 per cent of pledges had not been collected because donors had not received the reports they had requested. Furthermore, it was regrettable that UNHCR had been forced to write off more than $500,000 for non-expendable property which had been destroyed, lost or stolen. Ghana endorsed the recommendations of the Board of Auditors without reservation and called upon the High Commissioner to see to their implementation by the appropriate authorities.

57. In its resolution 47/211, the General Assembly had requested the Secretary-General and the executive heads to submit an action-oriented report outlining steps to be taken in response to the recommendations of the Board of Auditors. He noted with appreciation the report prepared by the Secretary-General (A/48/516) pursuant to that resolution and hoped that the reports of the other executive heads would be submitted to the Committee before the end of the session. He urged the Secretary-General to pursue his efforts, specifically on issues such as the implementation of the Integrated Management Information System (IMIS), property accountability in field missions, restructuring of primary bank accounts, and streamlining of staffing tables for the United Nations Office at Geneva and ECA.

58. His delegation was happy to note that the Administrative Committee on Coordination (ACC) had adopted common standards of accounting to be applied throughout the United Nations system and commended all those who had participated in that effort. As the Secretary-General explained in document A/48/530, each organization would probably find it necessary to effect changes in its financial practices, procedures and systems before it was able to fully apply those norms. Steps must be taken to ensure that that process did not take too long to complete.

59. In his report on the recovery of misappropriated funds from staff members and former staff members (A/48/572), the Secretary-General clearly highlighted the limitations of the courses of action available to the Organization to recover misappropriated funds and proposed a number of solutions which, although quite bold, raised a number of problems. His delegation was nevertheless willing to examine them.

(Mr. Okwei, Ghana)

60. With regard to independent audits and management reviews of activities of the United Nations system (A/48/587), the Panel of External Auditors rightly acknowledged that donors of funds to organizations of the system were entitled to seek assurances about the management of those funds and to expect transparency in the organizations' presentation of financial information. That observation was applicable to all sources of funds, and not only to voluntary funds. It was in that spirit, and in the light of the arguments advanced by the Panel of External Auditors, that his delegation accepted the decision taken by ACC.

61. Ms. ERIKSSON FOGH (Sweden), speaking on behalf of the Nordic countries, said that they supported the findings and recommendations of the Board of Auditors and were of the view that the terms of reference of the Board and its current resource level were, by and large, adequate. The Nordic countries were pleased to note that the Board had expanded its audit coverage of all peace-keeping operations, in accordance with resolution 47/211, and they looked forward to receiving a separate document for such operations.

62. Turning to the accounts of UNITAR for 1992, she noted with concern that the Board had issued a qualified audit opinion and that certain audit recommendations raised in previous years also remained unimplemented. However, one of the Board's observations concerned a much more serious matter, that of internal controls. Indeed, notwithstanding the conditions which the General Assembly had established in 1983 for authorizing an advance from the United Nations to UNITAR, the United Nations General Fund had continued to advance amounts to cover the budgetary deficits of UNITAR over the years. The General Assembly had settled the issue of the reimbursement of those advances in its resolution 47/227. Nevertheless, the Committee was entitled to an explanation of how it had been possible to make such unauthorized drawings. The Secretariat should provide those explanations and indicate what safeguards existed against similar unauthorized drawings in future.

63. Turning to UNHCR, the Nordic delegations fully understood that projects were sometimes implemented under very difficult circumstances in which delays were difficult to avoid. It was important to ensure, however, that deficiencies in administrative procedures should not result in poor coordination between UNHCR headquarters, field offices, implementation partners and executing organizations.

64. Given the dimensions of the refugee problems, it was of utmost importance that UNHCR should make optimum use of its resources. That meant, inter alia, that project implementation should be monitored more closely in order to avoid situations in which the resources required for certain urgent projects were needlessly committed to others. In that connection, the Nordic delegations fully supported the recommendation by the Board in paragraph 65 of its report that UNHCR should develop its plan for the computerization of its financial and personnel management system, in close coordination with the United Nations Integrated Management Information Systems Committee.

(Ms. Eriksson Fogh, Sweden)

65. With regard to the implementation of the recommendations made by the Board in 1992, the Nordic delegations would like to limit their remarks to the issue of purchasing policy. In resolution 47/211, the General Assembly requested the Secretariat to reduce the number of exceptions to the procedure for competitive bidding provided for in regulation 10.5 of the Financial Regulations and Rules of the United Nations. In paragraph 12 of his report (A/48/516), the Secretary-General noted that in 1992, close to 60 per cent of markets had been considered to fall in one of the categories set forth in financial rule 110.19, which provided for exceptions to competitive bidding. The excuse offered by the Secretary-General was that the purchasing rules applied in the United Nations were similar to, and consistent with, those of a number of Member States. Without wishing to initiate a discussion on the correctness of that argument, the Nordic delegations firmly believed that the best means of ensuring the optimal utilization of funds was to observe the basic principle established in regulation 10.5, and wondered whether the exceptions provided for in financial rule 110.19 were truly in the interest of the Organization, as required by the rule in question. They therefore proposed that the General Assembly should reiterate its request for the Secretariat to make its purchasing policy more cost-effective and transparent, by reducing the number of exceptions to competitive bidding, which would require a review of existing rules.

66. The Nordic delegations shared the view of the Secretary-General concerning the accounting standards for the United Nations system (A/48/530) and appreciated the comment that the standards should be considered "a living document" (para. 9), and that its authors had placed emphasis on the need for financial statements that were readable, even by non-experts, and complete (all income and expenditure should be reported, whatever the source of funds). They noted, without objection, that the process of full adaptation of the standards was likely to extend over several years but insisted that, in order to avoid unwarranted delays, where organizations found it necessary to depart from those standards, they should disclose the reasons for doing so in their financial statements, as provided for in paragraph 3 of the foreword.

67. The Nordic delegations, endorsed, in principle, the views and recommendations of the Panel of External Auditors concerning independent audits and management reviews of activities financed from extrabudgetary resources (A/48/587), but considered it of vital interest to secure a system which, by providing information to donors, encouraged the latter to continue to contribute to voluntarily-funded activities.

The meeting rose at 12.40 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
21st meeting
held on
Friday, 19 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 21st MEETING

Chairman: Mrs. EMERSON (Portugal)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 126: PATTERN OF CONFERENCES (continued) (A/48/32/Rev.1 and Add.1 and 2; A/C.5/48/1)

1. Mrs. ROTHEISER (Austria) said that her country, as a member of the Committee on Conferences, supported the conclusions and recommendations contained in that body's report. She emphasized that the changes in the conference calendar which appeared in document A/48/32/Rev.1/Add.2 were not a part of the Committee's report but were being proposed by the Secretariat; they should accordingly have been issued as a Secretariat document and submitted to the Committee on Conferences before being brought to the Fifth Committee.

2. Her delegation attached great importance to the rule that United Nations bodies should meet at their headquarters. She was glad that the Committee on the Peaceful Uses of Outer Space had decided to hold its meetings and those of its subcommittees at Vienna. On the other hand, she was concerned to note that the Committee on Conferences considered that there had in fact been departures from the rule, although the terms of reference of the bodies concerned did not seem to justify them, and she thought it essential that the Secretariat prepare the analytic report requested by the Committee on that question (A/48/32/Rev.1, para. 12). Her delegation would approve the conference calendar subject to the conclusions it drew from that report.

3. Because of its concern for the optimal and most cost-effective use of conference services, her delegation fully supported the decision to set the benchmark for the use of those services at 80 per cent and the recommendation that bodies falling below that benchmark should review their requests for services. It regretted that the Secretariat had not implemented paragraph 5 of General Assembly resolution 47/202 A, in which it was requested to bring to the attention of all organs the cost of conference services, in particular by providing them with information on the notional costs per hour of meeting time. She asked for an explanation of that situation.

4. Praiseworthy as their intentions were, the economy measures announced by the Secretary-General on 16 August 1993 were interfering with the work of intergovernmental bodies whose purpose was to resolve through dialogue the disputes which might arise between Member States. Those measures should therefore be rescinded immediately. Noting in addition that the anticipated savings mainly concerned temporary staff who, if employed for long periods, cost more than permanent staff, she emphasized that it would be cheaper, in some cases, to convert the temporary posts into established posts, as the Committee had in fact recommended in paragraph 10 of its report (A/48/32/Rev.1/Add.1). That recommendation should be taken into account in the proposed budget for the 1994-1995 biennium.

5. Her delegation welcomed the agreement of principle between the United Nations and the United Nations Industrial Development Organization (UNIDO) on the merger of their conference services at Vienna. She hoped that the

(Mrs. Rotheiser, Austria)

negotiations would be conducted quickly enough for the Secretary-General to be able to submit to the forty-ninth session a revised budget for the unified conference services reflecting the projected savings, as the Committee on Conferences had, in substance, recommended.

6. Mr. HUTCHESSON (Australia), speaking on behalf of Canada, New Zealand and Australia, noted that the Committee on Conferences, having, pursuant to paragraph 3 of General Assembly resolution 47/202 C, explored ways and means for a more effective implementation of its terms of reference, had concluded that it had on the whole been functioning within its terms of reference, although its mandate remained less comprehensive than envisaged by the Group of 18. The Committee had indicated that it would in future concentrate its efforts on providing clear directives to the Secretariat and setting standards which would make it possible to better meet the needs of Member States. It was therefore to be hoped that the Committee would in future reports outline the progress made in those areas, particularly with regard to the implementation of the measures to ensure optimum utilization of conference services set out in annex II of its report.

7. Australia, Canada and New Zealand supported the Committee's recommendation that the benchmark figure for the rate of utilization of conference services be raised to 80 per cent and that those bodies whose utilization factor was below that benchmark for three sessions should be invited to review and revise their requests for those services.

8. As the conference calendar for the 1994-1995 biennium would be particularly full, it was essential that subsidiary organs of the Economic and Social Council keep to a minimum their requests for exceptions to be made to the biennialization of meetings, especially where such requests did not result in sessions of shorter duration.

9. Peace-keeping had assumed a prominent place among the activities of the United Nations. The calendar should accordingly include the meetings of the Special Committee on Peace-keeping Operations as those meetings were too important to be covered in the present ad hoc manner.

10. It was in accordance with normal practice that the Committee should be authorized to adjust the conference calendar as a result of decisions taken by the General Assembly at its forty-eighth session. On the other hand, if it was the case that the Secretariat had issued amendments to the draft calendar without consulting the Committee in advance, such circumventing of the usual procedures must not continue.

11. Australia, Canada and New Zealand strongly supported the Committee's request that the economy measures, whose impact had been particularly acute in Geneva and especially for the Centre for Human Rights, should be lifted.

(Mr. Hutchesson, Australia)

12. Although the Committee on Conferences had focused attention that year on meetings, it should not overlook the problem of the late submission of documents and the difficulties which it had created, particularly for the Fifth Committee. It was unacceptable that six weeks prior to the scheduled closure of the General Assembly for 1993, 30 per cent of the documentation required had not yet been submitted to the Office of Conference Services, as the Director of the Office had pointed out. It was essential that those who bore the main responsibility, namely, author departments, should make an effort to remedy the situation, although a much more proactive approach was needed by the Office of Conference Services too. For the same reason the Office of Conference Services must identify ways of ensuring compliance with the 10-week rule. Lastly, Australia, Canada and New Zealand were convinced that further improvement in the provision of translation services was possible, particularly with regard to priority-setting and the application of new technologies.

13. Mr. MADDENS (Belgium), speaking on behalf of the States members of the European Union, expressed support for the Committee on Conferences. The organization of meetings was an essential function of the United Nations, and the Committee on Conferences, by striving for the efficient use of the conference-servicing resources available to Member States, could make a very important contribution to the sound administrative and financial management of the Organization. The European Union regretted the fact that, since the Committee on Conferences had no standard-setting powers, too often its function was merely to rubber-stamp decisions; it should play a much more active role by creating awareness and taking action on more specific bases than those mentioned in paragraphs 126 to 128 of its report.

14. At the preceding session the General Assembly had adopted by consensus resolution 47/233 on the revitalization of its work, as a result of which the number of its Main Committees had been reduced. It was to be hoped that such efforts would be pursued and that the agendas of the intergovernmental bodies would eventually be rationalized, as envisaged by paragraph 6 of resolution 47/233 and in accordance with the recommendation made in paragraph 93 of the report of the Committee on Conferences.

15. The European Union regretted that Member States had been presented with a fait accompli when the Secretary-General announced the introduction of austerity measures, particularly since they did not take account of some of the General Assembly resolutions - including those concerning equal status for the six official languages, which implied the simultaneous distribution of documents in all languages. Concerned by the situation which had arisen as a result of the measures, especially at the Centre for Human Rights at Geneva, the European Union requested that they be rescinded.

16. The European Union supported the recommendations of the Committee on Conferences concerning the draft calendar of conferences for 1994-1995 and looked forward to the reports requested regarding the application of the rule that bodies should meet at their established headquarters. Moreover, it was satisfied that the Committee on Conferences had decided to raise the minimum

(Mr. Maddens, Belgium)

rate for utilization of conference-servicing resources to 80 per cent. It also welcomed the progress made in the consultations with the chairmen of the different bodies on measures to be taken to ensure the more efficient use and greater productivity of conference services. However, it was disappointed to note that the Secretariat had not informed all the bodies of the notional cost per hour of meeting time, as the Assembly had requested in paragraph 5 of resolution 47/202 A. That request should be made once again and the chairmen of the different committees obliged to indicate the total cost (including translation and interpretation costs) at the start of the session, with Member States being invited to limit the duration of their statements. The European Union was pleased to note that the issue of a unified conference-servicing operation in Vienna would soon be resolved.

17. The Committee on Conferences had not been able to assert its authority regarding the requests for exceptions to section I, paragraph 7, of resolution 40/243. If the bodies concerned improved the organization of their work they would no longer need to request such exceptions, and it would be well for the Fifth Committee to set an example in that regard.

18. With regard to the control and limitation of documentation, the Committee on Conferences had recommended that all bodies entitled to summary records should re-examine their requirements in that regard, which would provide the opportunity for a complete review of their working methods and decision-making processes. The European Union further proposed that delegations should be given the option of not delivering statements in their entirety, which might be included in the summary records. Moreover, it inquired what practical steps had been taken by substantive departments to observe the 10-week rule, in accordance with paragraph 8 of resolution 47/202 B.

19. The Committee on Conferences had good reason to welcome the progress made in the application of technical innovations in conference servicing, which should make not only for increased productivity, but also for an improvement in the quality of service provided. The European Union looked forward to the report from the Secretariat on that matter requested by the Committee on Conferences.

20. Lastly, the Committee on Conferences had quite correctly pointed out that before deciding to convene a world conference, the intergovernmental bodies should assess the implications of such a decision for the conference services and consider whether Member States would be able to participate.

The meeting rose at 11 a.m.